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Administrative reorganization and...

[New York]

1915

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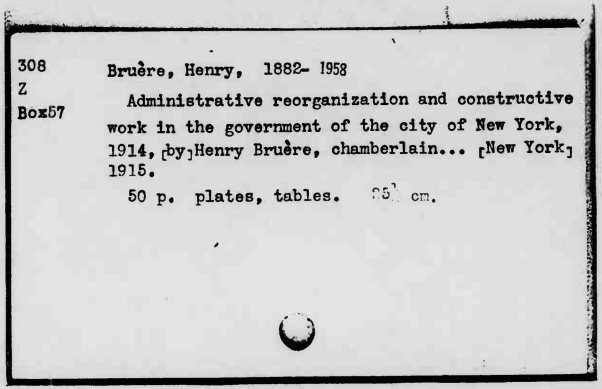

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ADMINISTRATIVE REORGANIZATION AND CONSTRUCTIVE WORK IN THE GOVERNMENT OF THE CITY OF NEW YORK

1914

HENRY BRUÈRE, Chamberlain

MAY, 1915

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7 Sept 1915 E&E

HON. JOHN PURROY MITCHEL,
Mayor of the City of New York.

Sir:

This report relates to work done under my supervision in 1914, assisting you in respect of various administrative problems in the city government. Perhaps more than three-quarters of my time has been devoted to these general administrative undertakings. It was the opportunity to assist in improving the administrative practices of the city government that was the occasion of my appointment to the office of chamberlain. Your purpose has been to make the chamberlain a general administrative assistant to the mayor, inasmuch as under proper organization the statutory duties of the chamberlain's office require comparatively little of the incumbent's time.

I am making this report not so much to record completed undertakings as to advise you of the progress being made on the work that you have committed to me, and to emphasize some of the general administrative problems with which we are dealing.

Above everything else, American city government needs constructive and continuous attention to the program and method of administration. It is only recently that administration and service have taken the place of politics and spoils as the prinicpal concern of the average American municipality. New York is no exception in this regard though notable improvements have been made in recent years in the methods of government in New York City.

The least progress, perhaps, has taken place in those general features of government which may be described not in terms of service such as health or educational activities, but in terms of management. In New York, general administrative responsibility has been vested in elective officers whose principal functions, heretofore, have been of a political character. These political duties, consisting of interpreting the public will and representing the government in its relation to citizens, are of greatest importance, but they do not directly affect the economy and efficiency of administration. Brevity of terms in office, lack of professional assistance and defective charter organization have made it less the part of the mayor to plan and to organize the processes of city government than is usually expected of the executive head of a great corporation.

Traditionally, the mayor of the city of New York is held responsible for the character of city government. Notoriously, he has been without contact with the details of city administration and without equipment to advise him of the current progress of their per-

formance or information to enable him to direct intelligently the course of government activities.

Administrative responsibility has been departmentalized and hence responsibility for results and the method of accomplishing them has been delegated to heads of departments. This has been the case despite the fact that many of the problems of administration are not restricted to specific departments, but relate to all or to groups of them. Upon the solution of these problems, moreover, depends in large degree the effectiveness of service and economy of operation.

From your extensive experience in city affairs you have long appreciated this defect in the structure and method of the city government. It was clear to you that so great an institution as the government of New York could not be efficiently managed under a plan of executive organization practically unchanged since colonial days. From my own daily contact of ten years with problems of municipal administration, and in particular with the government of this city, I have long believed that the lack of executive organization and equipment was the chief cause of ineffective city government in New York City, for no great enterprise can be efficiently conducted without an efficient co-ordinating head.

For upbuilding an efficient government there was no more important requirement, when you took office, than the development of genuine administrative leadership and effective control in the mayoralty.

The structure of New York City's government and the distribution of its functions and responsibilities do not make easy the working out of a plan of efficient central management. The mayor is burdened with a variety of tasks and responsibilities other than those relating intimately to the management of city business, and while he is expected to be the dominant and controlling influence in the administration of the city, the mayor's office has heretofore been completely devoid of organization to accomplish this purpose. The single exception is the office of the commissioners of accounts, which until now had been used almost exclusively for purposes of investigation, interrogation and chastisement, and not as a means of directive and constructive planning of administrative work.

I have attempted in this first year, by utilizing the staff of the commissioners of accounts and such special temporary staffs as have been made available for particular pieces of work, to build up a method and program of administrative leadership. One of my early recommendations that a division of administration be established in the mayor's office, in substitution for the commissioners of accounts, could not be put into effect without the approval of the legislature, and this has been twice denied. There still remains, therefore, a lack of organic identification of the mayor's office with the work that has been performed under the program committed

to me. Ultimately, such work as I have done should be carried on either by a city manager or a reconstructed office of mayor. No delusion is more persistent than the general superstition that an executive can guide a great institution such as the city of New York merely by the force of personality and by the authority of official position. To plan intelligently and to guide wisely and constructively the program of service carried on by the city of New York require the same kind of facility for executive intelligence and control as is provided the chief working officer of a comparably great private corporation.

The departments of the city government are each great business institutions, and the means by which they carry on their services are in many respects similar. All must obtain and organize employees, all must purchase supplies, maintain equipment, plan methods of control over work, and many of the departments require the same technical and expert services, notably engineering service. A simple illustration of the similarity of business responsibility in the several departments is the fact that ten departments under your control have buildings to maintain and are themselves responsible for the construction of new buildings for their own purposes. In one or two respects the wisdom and economy of centralizing such services has long been recognized, as in the selection of employees through a single civil service commission serving all departments. But there had never been provided for the city government any central means of business planning and organization apart from the supervision of accounting processes, which is the function of the comptroller.

Accordingly, the first vigorous steps taken to introduce modern business methods in New York City's government were taken in the department of finance with regard to the financial and accounting reorganization of the city. In many respects the department of finance has served to stimulate to better practices other branches of the city government through budget-making and otherwise. But it has never been regarded as the responsibility of this department to serve as the business and administrative aid to the departments charged with the management of the city's affairs. In a limited sense, I have attempted to supply this need. It must ultimately be supplied by a thoroughly well-organized agency of central administration, in which should be brought together a number of the special divisions already organized for advisory service.

This first year's work was very largely preparatory and much of it experimental, though many of the problems dealt with are problems for which solutions have already been found in private management. No attempt has been made to organize along permanent lines a general department of administration. The chamberlain's office has no authority to exercise these functions, and it would not be feasible for it to do so. This, however, is what the government of

New York needs, and the lack of an adequate and authoritative organization has naturally retarded the execution of constructive work.

The present city government, pledged as it is to a business administration, recognizes what taxpayers and citizens generally must come to recognize,—that an enlightened business administration cannot be achieved by any arbitrary exercise of superior judgment, virtue or intelligence, but can only be brought about in a general sense by the slow upbuilding of new habits and methods of carrying on city business, much of which still bears the impress of slovenly political practices.

In this first year I have dealt with five general groups of problems in addition to reorganizing and administering the chamberlain's office.

The first group consists of detailed surveys of the existing organization and methods of city government heretofore unrecorded and perpetuated from administration to administration in most part in the minds and habits of the permanent working staff of the city government. The object of these surveys was not only to obtain the facts for purposes of information, but to lay the basis for constructive reorganization and improvement of methods.

The second group consists of studies of special departmental problems as a means of assisting the mayor or the head of a department in carrying out reorganization plans and executing efficiently new programs established at the beginning of the administration. The studies of the tenement house department and the department of public charities problems, and the plan for reorganizing the board of estimate, are illustrations of work done under this heading.

The third group of problems relates to the organization of central agencies to perform, under central control, services required by a number or all of the city departments. Examples of these are the organization of central bureaus for purchasing and payroll preparation.

The fourth group relates to the investigation of special matters and the performance of advisory services in respect of the preparation of the budget, requests for revenue bonds and to incidental departmental matters of various kinds in which I have acted as the agent of the mayor.

The fifth group relates to general, social and community questions such as municipal pensions, unemployment, recreation, and the preparation of the city's exhibit for the Panama-Pacific Exposition.

Many of the tasks performed by me do not fall in any of these groups, but are of an advisory or confidential character in response to specific requests from you.

Since, in reporting to you on the reorganization of my office I recommended merging the office of chamberlain with the department

of finance, the impression has no doubt prevailed in some quarters that the office of Chamberlain does not provide adequate opportunities for service. I hope the following report will serve to remove such an impression in part, at least, should it exist.

Respectfully submitted,

HENRY BRUÈRE,
Chamberlain.

New York, May 15, 1915.

ADMINISTRATIVE REORGANIZATION AND CONSTRUCTIVE WORK

Reorganization of the Chamberlain's Office

I have already reported to you in detail on the reorganization of the chamberlain's office, a matter which received my first attention.* In this work, as in all other administrative changes, I was greatly helped by the cordial co-operation of the department of finance under the comptroller's direction. This working together of the administrative departments with the department of finance illustrates the advantages of applying a business principle to municipal administration instead of the political principle of independent and mutually exclusive jurisdiction of departments under separate elective officers.

Historically, the department of finance, having jurisdiction over financial matters, had developed into an investigative and corrective agency rather than as an advisory and co-operative agency. With the whole government committed to the adoption of business methods, the way was opened to establishing harmony of action between the finance department and the departments under the jurisdiction of the mayor, with mutual observance of a common business program.

Reorganization of the Office of the Commissioners of Accounts

From your own experience in the office of the commissioners of accounts, and in conformance with the policy adopted by Mayor Gaynor, you determined to substitute a single commissioner for the dual headship of this office. During the first month of your administration I made a survey of the office and submitted to you a report which was then published, recommending the establishment, in place of the office of commissioners of accounts, of a division of administration to be a part of the office of the mayor. The purpose of this recommendation was to make available to the mayor an agency for maintaining day by day contact with the great multitude of administrative matters committed to the departments under his jurisdiction and for which, in the last analysis, as chief executive of the city, he is responsible. It was sought to transform the office of the commissioners of accounts from merely an agency of investigation, bringing to light irregularities and mismanagement, into an instrument for preventing

*See report "The Reorganization of the Office of Chamberlain," 1914.

irregularities and for assisting in establishing proper methods of management. In other words, in addition to continuing the office as the "mayor's eye" we undertook to make it an instrument in his hands for rebuilding the structure and reordering the practices of the departments responsible to him. The personnel of the office was changed in part, and men with special qualifications for administrative investigation and constructive work were appointed in place of incumbents unfitted for work of this character.

The legislature refused to pass the bill creating a division of administration. You accordingly appointed, on June 8, 1914, a commissioner who has since then been in charge of the office, and who has generously made members of his staff available to me, as required.

In 1914, the commissioners of accounts' office performed the greatest volume of work in its history. It submitted 193 reports to the mayor, and 217 reports to the chamberlain on specific studies or investigations made at his request.

Reorganization of the Board of Estimate and Apportionment

During Mayor Gaynor's administration, the board of estimate and apportionment for the first time undertook to exercise adequately its powers of appropriation. Theretofore, in all financial matters, the board acted almost exclusively on the recommendation of the comptroller. The first fusion board of estimate, which took office in 1910, established a committee of its members on the budget and instituted several inquiries into the administrative problems of the city government in order to secure information for intelligent appropriation.

To control the vast appropriations for supplies,* the board prescribed as a condition to every expenditure that the purchase of supplies should be made under standard specifications, as such specifications were formulated and promulgated by the board. Similarly, to provide the basis for intelligent fixation of salaries, which is preeminently a function of the board of estimate, there was instituted an inquiry into the salaries and wages paid by the city government and the character of work done by employees, with a view to providing a standard plan of compensation.†

Another considerable item of expenditure over which the board began to assume some control during the first fusion administration was that for public improvements payable out of corporate stock. It was the first board to establish a corporate stock budget in which

* About $15,000,000 in 1914.

† These undertakings were instituted by the board in 1910 pursuant to recommendations made by the Bureau of Municipal Research, of which I was then director. During the four years of the so-called fusion board's work, it had been my privilege to keep in close touch with this work and to be advised of its progress.

were brought together the various corporate stock authorizations. During 1911 the practice was instituted of authorizing corporate stock with the proviso that plans, specifications and estimates of cost must be approved by the board of estimate before bids were advertised for, in order that the board might check requests for authorizations in the light of actual proposals to expend them. In all of these matters you, the comptroller, and the president of the board of aldermen had taken an active part.

At the beginning of 1914, at your request, I submitted to you a plan for the establishment of agencies under the jurisdiction of the board of estimate to continue this work in a systematic manner. My recommendations were submitted by you to the committee on organization of the board consisting of the mayor, the comptroller, and the president of the board of aldermen, and after review were recommended by them to the board as a whole and were subsequently adopted. They entailed the continuance of the three old bureaus of the board (records and minutes, public improvements, and franchises), the establishment of new bureaus of contract supervision, and of standards, and a plan for the permanent organization of the board into standing committees to have charge of the principal routine and special work committed to it.

A committee on city plan was included among the standing committees of the board to systematize the authorizations of public improvements which constitute a large part of the board's work, and to correlate them to a definite plan for the development of the city.

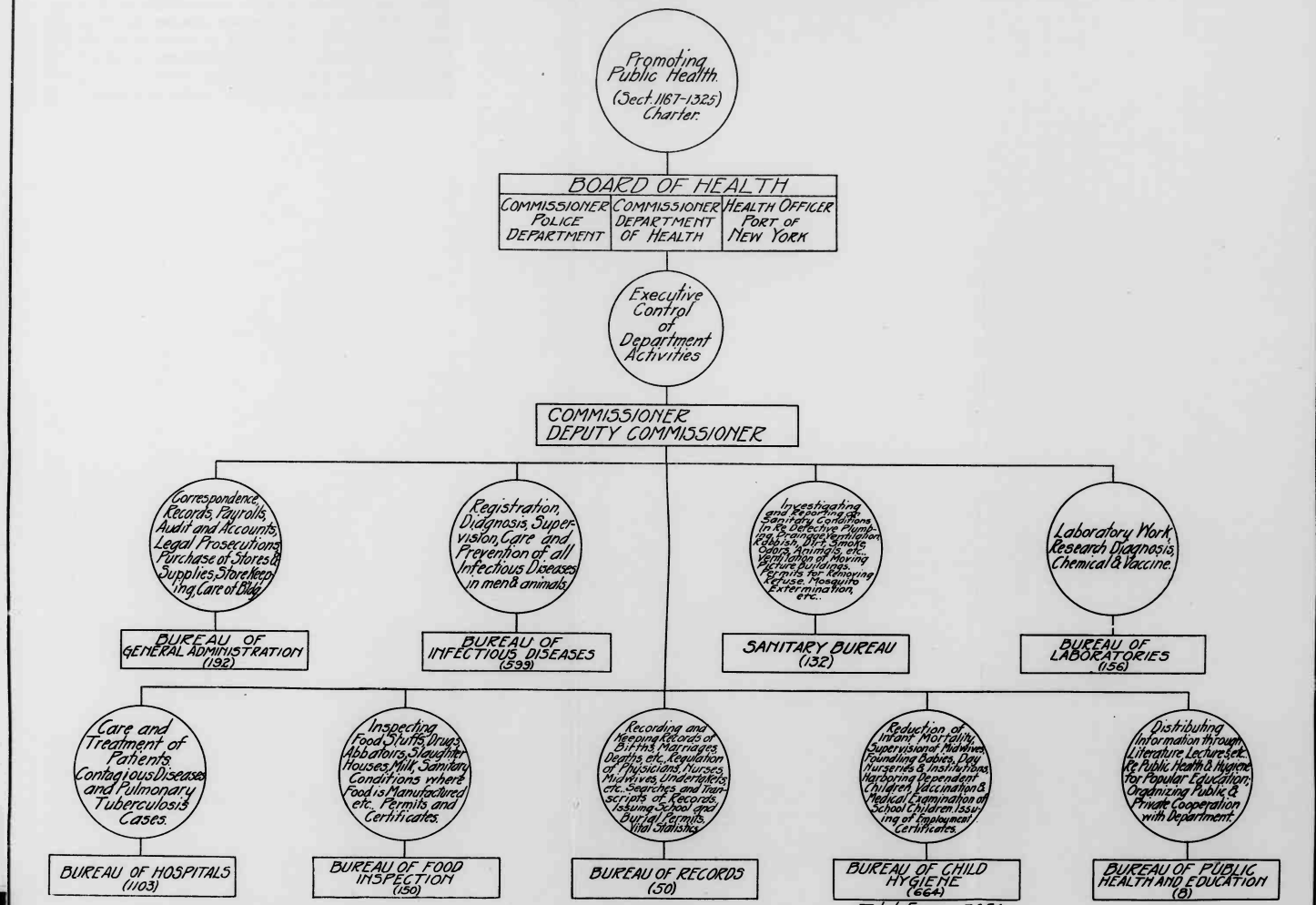
To make more efficient the relationship of the board of estimate and apportionment to the board of education, and to utilize the results of the school inquiry conducted in 1913, a standing committee on education was provided.

Similarly, a committee on social welfare was organized to continue the work of the health and hospital inquiry committee and to deal with questions relating to the social welfare departments coming before the board of estimate and apportionment.

The bureau of standards, during the past year, has pushed forward the work of salary standardization, and the results of its investigations were applied in the 1915 budget to several departments under your jurisdiction. The bureau of contract supervision has been of notable service in regulating expenditures under contracts and in the preparation of the 1915 budget.

This committee reorganization, by which sixteen standing committees were substituted for the approximately fifty major committees, and innumerable sub-committees on routine matters, appointed from 1910 to 1913, inclusive, has resulted in the simplification and consequently in the more orderly performance of the board's work, and has made the members a virtual board of directors of the municipal corporation.

DEPARTMENT OF HEALTH.


Promoting Public Health. (Sect. 1167-1325) Charter.
BOARD OF HEALTH
COMMISSIONER POLICE DEPARTMENT
COMMISSIONER DEPARTMENT OF HEALTH
HEALTH OFFICER PORT OF NEW YORK
Executive Control of Department Activities
COMMISSIONER DEPUTY COMMISSIONER
Correspondence, Records, Payrolls, Audit and Accounts, Legal Prosecutions, Purchase of Stores & Supplies, Storekeeping, Care of Bldg.
Registration, Diagnosis, Supervision, Care and Prevention of all Infectious Diseases in men & animals.
Investigating and Reporting on Sanitary Conditions in Re Defective Plumbing, Drainage, Ventilation, Rebuilding, Dirt, Smoke, Odors, Animals, etc. Ventilation of Moving Picture Buildings. Permits for Arranging Refuse, Mosquito Extermination, etc.
Laboratory Work, Research, Diagnosis, Chemical & Vaccine.
BUREAU OF GENERAL ADMINISTRATION (192)
BUREAU OF INFECTIOUS DISEASES (593)
SANITARY BUREAU (132)
BUREAU OF LABORATORIES (156)
Care and Treatment of Patients, Contagious Diseases and Pulmonary Tuberculosis Cases.
Inspecting Food Stuffs, Drugs, Abbatoirs, Slaughter Houses, Milk, Sanitary Conditions where Food is Manufactured etc., Permits and Certificates.
Recording and Keeping Records of Births, Marriages, Deaths, etc. Regulation of Physicians, Nurses, Midwives, Undertakers, etc. Searches and Transcripts of Records, Issuing School and Burial Permits, Vital Statistics.
Reduction of Infant Mortality, Supervision of Midwives, Foundling Babies, Day Nurseries & Institutions, Harboring Dependent Children, Vaccination & Medical Examination of School Children, Issuing of Employment Certificates.
Distributing Information through Literature, Lectures, etc. Re Public Health & Hygiene, For Popular Education, Organizing Public & Private Cooperation with Department.
BUREAU OF HOSPITALS (1103)
BUREAU OF FOOD INSPECTION (150)
BUREAU OF RECORDS (50)
BUREAU OF CHILD HYGIENE (664)
BUREAU OF PUBLIC HEALTH AND EDUCATION (6)

Numbers denote employees in divisions.

Total Force 3054

Appropriation 1915

Supplies, etc. $ 871,271.72

Personal Service $ 2,572,220.50

$ 3,443,492.22

Jan. 1, 1915

CHART No. 5

Prepared by COMMISSIONER'S of ACCOUNTS

General Survey of Departments

There was not available to you, or to the various department heads when you took office, accurate knowledge of the internal organization of the departments, of the exact duties they were required to perform or were actually performing, of the procedure followed by them in the performance of their work, of the distribution of personnel, or of the duties performed by the various employees. Diagrammatic organization charts had been prepared for certain departments by the committee on salary standardization, but these were not complete, comprehensive, nor generally available to department heads.

Accordingly, in pursuance of your general plan of reorganization, I began early in the year to have prepared by the commissioners of accounts for every department under your jurisdiction complete, detailed charts showing the organization, distribution of functions, personnel, and a description of the duties performed by each member of the working force. This analysis was intended to serve a two-fold purpose: First, to put into the hands of department heads information to assist them in their organization studies, and second, to have available for your use a record of existing organization upon which to base all subsequent changes and to work out recommendations for improvement. These charts are being systematically revised and kept up-to-date so that they at all times reflect the organization of departments. They furnish information regarding the structure and duties of the various departments of the city government more comprehensively than has ever before been available to administrative officials.

As a part of this survey you instructed your department heads early in March, 1914, to make a thorough study of their departments and to submit to you their recommendations for economies to be effected by reorganization. Pending these studies, no detailed investigations were made by me of the procedures of the various departments, except in special instances. Since that time, however, numerous studies have been made of specific administrative questions with a view to remedying known defects and reporting to you suggestions for improvement. These studies were made through the office of the commissioners of accounts, and up to January 1, 1915, covered over 100 administrative subjects.

Studies in the Department of Public Charities

More detailed studies have been made of several departments. Thus, on the invitation of the commissioner of public charities, a thorough investigation was undertaken of the business methods of that department. The results of these studies are currently placed in the hands of the commissioner, and plans for correcting defects are worked out in conference with him. This work of reorganization

is in every case performed by the commissioner himself, my work consisting merely in supervising the investigation and conferring upon the recommendations predicated on it.

Administrative Changes Effected in the Tenement House Department

At the request of the commissioner an investigation of the office practices of the tenement house department was made and recommendations submitted which effected a reduction in the budget of 1915 of $54,560.60 below the 1914 appropriation. As a result of this study it was found that there was needed in this department a man skilled in office administration to have charge of the voluminous clerical and statistical work which the business of this department requires. Accordingly, the investigator assigned by me to make the preliminary studies has been added to the staff of the tenement house department to complete the work of reorganization under the supervision of the commissioner.

Furthering the Completion of the Departmental Accounting Reorganization

Prior to my coming into office, I had intimate contact as director of the Bureau of Municipal Research with the reorganization of the city's accounting methods. One part of this reorganization provided for the establishment of uniform accounting methods in the various operating departments, the installation of expense and cost records which would reflect the cost of specific functions or activities, and the installation of modern accounting devices to control departmental stores and equipment.

This most important task had never been completed, owing to the lack of effective co-operation between the mayor's departments and the department of finance. Great sums of money had been expended by the department of finance and by the Bureau of Municipal Research in effecting partial installations; but in respect of cost, expense and stores records, no considerable progress had been made. These records, which are so essential to efficient administration, received our early attention.

In February of last year I began an examination into the status of this installation in the departments under your jurisdiction, and took steps to obtain from them the fullest co-operation with the comptroller in completing this work. Conferences were held between the accountants of the departments and representatives of the department of finance and the way prepared for effective co-operation. Wherever necessary, special assistance was given to the departments to complete the installation, with the result that on January 1, 1915, expense accounting was in operation in the following departments:

Health
Public charities
Correction
Fire
Street cleaning
Docks and ferries
Bridges
Water supply, gas and electricity
Parks—Manhattan and Richmond, Brooklyn, The Bronx, Queens
Bellevue and allied hospitals
Armory board, national guard, and naval militia

The accounting reorganization is not, however, completed. The problem is a very difficult one, because of the number of offices and the vast scope of their operations. As now constituted, each department maintains its separate accounts, these being reconciled with the central accounts maintained by the comptroller by means of monthly reports. The purpose of these departmental accounts is two-fold: First, to maintain an exact record of the appropriations and liabilities of the department in order that appropriations may not be exceeded, and second, to reflect the cost of operation as a guide to administrative judgment.

All of the information contained in the financial accounts kept by departments is also contained in the financial accounts kept by the comptroller. Originally, the comptroller's accounts were designed as a check upon the departmental accounts, both systems being conducted along single entry lines. Under the present double entry system it is unnecessary for the accuracy of either the departments' or the comptroller's accounts to maintain them separately. Now that the majority of the departments are housed in the same building with the department of finance, it will be feasible to discontinue the financial accounts maintained by departments and to keep only those maintained by the department of finance, necessary financial information being reported periodically to the departments from the comptroller's office as requirements determine.

Accordingly, after receiving an opinion from the corporation counsel that the procedure would be in conformance with the charter, I recommended to the comptroller that the purely financial accounts maintained by the departments under the jurisdiction of the mayor now housed in the Municipal Building be discontinued, and that the comptroller's office be made the source of accounting information. This recommendation the comptroller approved in principle, and has given instructions to his deputy to execute. When the change is accomplished, material economies will result and a more business-like condition prevail. Moreover, there will no longer exist the difficulty of keeping all the departmental accounting practices up to the standard established by the department of finance.

Preparation of the 1915 Budget

My budget work during 1914 was along two lines: First, as your representative in the preparation of the executive budget, and second, as a member of the board of estimate and apportionment's sub-committee on the tax budget.

As a means of aiding the departments in preparing their estimates for 1915, we analyzed the recommendations made by the examiners of the finance department in reference to departmental estimates in the year 1913 for the 1914 budget, together with a summary of the reasons for the disallowance of requests. These analyses were submitted to department heads in order that in framing their estimates for the new year they might build upon the experience of the previous year of which most of them had no personal information.

In July, you directed the departments under your jurisdiction to submit for your review all budget estimates prior to their submission to the board of estimate. This was a new step in the history of budget-making in New York City. Formerly, each department had submitted an estimate of its requirements to the board of estimate irrespective of the demands of other departments. The result of this practice was confusion and extravagance. There was no co-ordinated financial program for the executive departments. There was an excessive demand for funds, both in the aggregate and in respect of particular functions, out of proportion to the city's financial ability and without regard to the relative needs of one department as against another. Under this free-lance plan of budget preparation it was obviously impossible for the mayor, as chief administrator, to present a definite program of expenditure and to maintain control over the proposed activities of his departments.

In 1914, as each departmental estimate was received, it was reviewed by me as carefully as the staff and time at my disposal permitted. Where requests were made for increases, specially thorough examinations were conducted. In cases where departments asked for less money for 1915 than they were allowed for 1914, no examination was made, the theory being that further economies could be brought to light only by such systematic investigation as would later be conducted by the budget agencies of the board of estimate, and for which I had neither time nor assistants available.

The aggregate requests of the mayor's departments, as received by you, totalled $63,441,322.37. As finally submitted by you to the board of estimate after my review, they aggregated $60,924,057.69. Subsequently, further marked reductions were made in the estimates of several departments as a result of the studies of the board of estimate's agents and through further attention to the details of requests by department heads themselves. It must be borne in mind that in

most cases the commissioners in submitting their requests in July did so on only six months' acquaintance with their departments, a period which had necessarily been devoted in large degree to preliminary reorganization and to the formulation of programs. The subsequent reductions made by the board of estimate staff were based not only upon the examination of this year's budget, but upon detailed experience with departmental business acquired through successive years of study. I say this not in any way to detract from the credit which is due to the staff of the board of estimate for its excellent work on the 1915 budget, but to make clear that the disposition of the mayor's departments, as well as of the mayor himself and his representatives, was to bring the budget requests for 1915 within the lowest limits compatible with efficient service.

This preliminary budget study required practically my entire time for the months of July and August. In the latter part of August hearings on the budget were begun by the sub-committee of which I was a member, and these continued during the months of September and October. The result was that the budget for the mayor's departments in 1915 aggregated about $1,500,000 less than for 1914.

Centralization of Administrative Services

From an administrative standpoint some of the most important studies which I have conducted during the past year relate to the centralization of certain services which are required generally by departments under the mayor's jurisdiction. The functions of payroll preparation, purchasing, building inspection, the city's automobile service and the telephone service, all needed close and careful study with a view to placing their operation upon a basis more compatible with good business practice. The common housing of the mayor's departments in the Municipal Building has brought into sharp relief the duplication of certain administrative and clerical functions which may feasibly be provided through a common agency for all departments.

The following is a report of progress made in these studies. Even though the work which is here reported on is still in the experimental stage, it has already fully justified itself in results achieved and the promise of evolution from decentralized, individual departmental activity into co-ordinated, centrally controlled service for the entire government.

Centralizing the Preparation of Payrolls

Conspicuous among services required in all departments and feasibly performed by one agency for all is the preparation of payrolls.

During 1910, Borough President McAneny in reorganizing his office, with the co-operation of a staff of the Bureau of Municipal Research, had established a central payroll division for his entire department in place of the existing five separate payroll offices. In the department of water supply, gas and electricity the payroll procedures had been greatly simplified by the installation of mechanical appliances.

Therefore, in June, 1914, I assigned an examiner to determine to what extent economies could be effected by a similar centralization of payroll preparation in the departments under your control, as well as to learn the feasibility of the general substitution of mechanical appliances for handwriting in the preparation of the payrolls themselves.

As a result of this study we began, on January 2, 1915, the centralization of payroll preparation for the departments of finance, water supply, bridges, commissioners of accounts, chamberlain, and the board of city record. On request, I obtained the services of Mr. J. H. Clowes of the Bureau of Municipal Research, who is unusually able as an organizing accountant, to supervise this work for us.

Shortly afterwards it became apparent that the whole problem of payroll preparation was closely allied to the actual payment of salaries and wages by the paymaster, and that the department of finance would be the proper place to centralize this work, following the suggestion previously made for centralizing in that department all accounting processes. This has therefore been done, and clerks expert in payroll work have been detailed from certain of your departments to this central division now located in the department of finance. Mr. Shepard Morgan, secretary of the department of finance, has worked with Mr. Clowes in effecting the changes involved in establishing a central payroll division. The results accomplished are the product of co-operation between the several departments under the mayor and the department of finance, and the Bureau of Municipal Research.

This work has progressed rapidly and the following departments are now served by the central payroll division:

Finance
Water supply, gas and electricity
Tenement house
Bridges
Correction
Health
Law
Parks—Manhattan, Richmond, Brooklyn, The Bronx
*Public charities
Docks and ferries

* The payroll work of this department has not yet been centralized completely.

*Street cleaning
Licenses
Bureau of weights and measures
Municipal civil service commission
Board of assessors
Board of city record
Board of parole
Office of commissioners of accounts
Office of the chamberlain
Office of the mayor
Retired city employees

The economies effected to-date are as follows:

The cost of payroll work in all of the above departments, based upon the percentage of time formerly devoted to such work, was approximately $48,500 per annum. The cost of doing this work after centralization, calculated upon the same basis, is approximately $13,000 per annum. This saving of over $35,000 or 73 per cent. is at present represented by surplus time of clerks formerly engaged on payroll preparation.

The constructive work in the central payroll division is absorbing, temporarily, a part of this saving. The present cost of this constructive work is at the rate of $10,000 per annum, but this will cease entirely as soon as all departments are taken over. The balance of $25,000 still remains as "slack" in the departments. This "slack" should be eliminated in the preparation of the budget for 1916 by the transfer of the employees made available for other work.

As an instance of the saving which can be effected, the simplification of payroll records and the elimination of numerous unnecessary time records in the street cleaning department, which is merely the preliminary work to payroll centralization, will result in an annual saving of approximately $10,000 in clerical salaries and about $2,500 in the cost of stationery and supplies. Savings aggregating at least $10,000 per annum can be made on printing and books in the other departments.

All employees in the departments of bridges, docks and ferries and parks are now being paid by check. This will save in time, now lost by paying employees in cash, several thousand dollars a week in these three departments alone.

The central payroll division is now equipped with all necessary mechanical devices for the most efficient handling of payroll work. The cost of providing such equipment for the individual departments, in any but the larger departments, would have been prohibitive.

Not only is the payroll work being performed more economically than heretofore, but several frequent sources of error have been entirely eliminated by the adoption of mechanical devices. The new system of reporting changes in personnel provides complete control

* The payroll work of this department has not yet been centralized completely.

over appointments, transfers and dismissals, which has not been possible until now. Incidentally, this new system of control entails less work than was necessary under the old system. As a result of the new installation, it may be possible to perform the greater part of the payroll auditing work automatically.

Centralizing the Purchasing Service for the Mayor's Departments

A second field in which there has for a long time been a conspicuous opportunity for consolidation of service is in purchasing. A central purchasing department was recommended by the state legislative committee investigating city finances in 1908. For several years bills to this end were introduced in the legislature, but failed of passage.

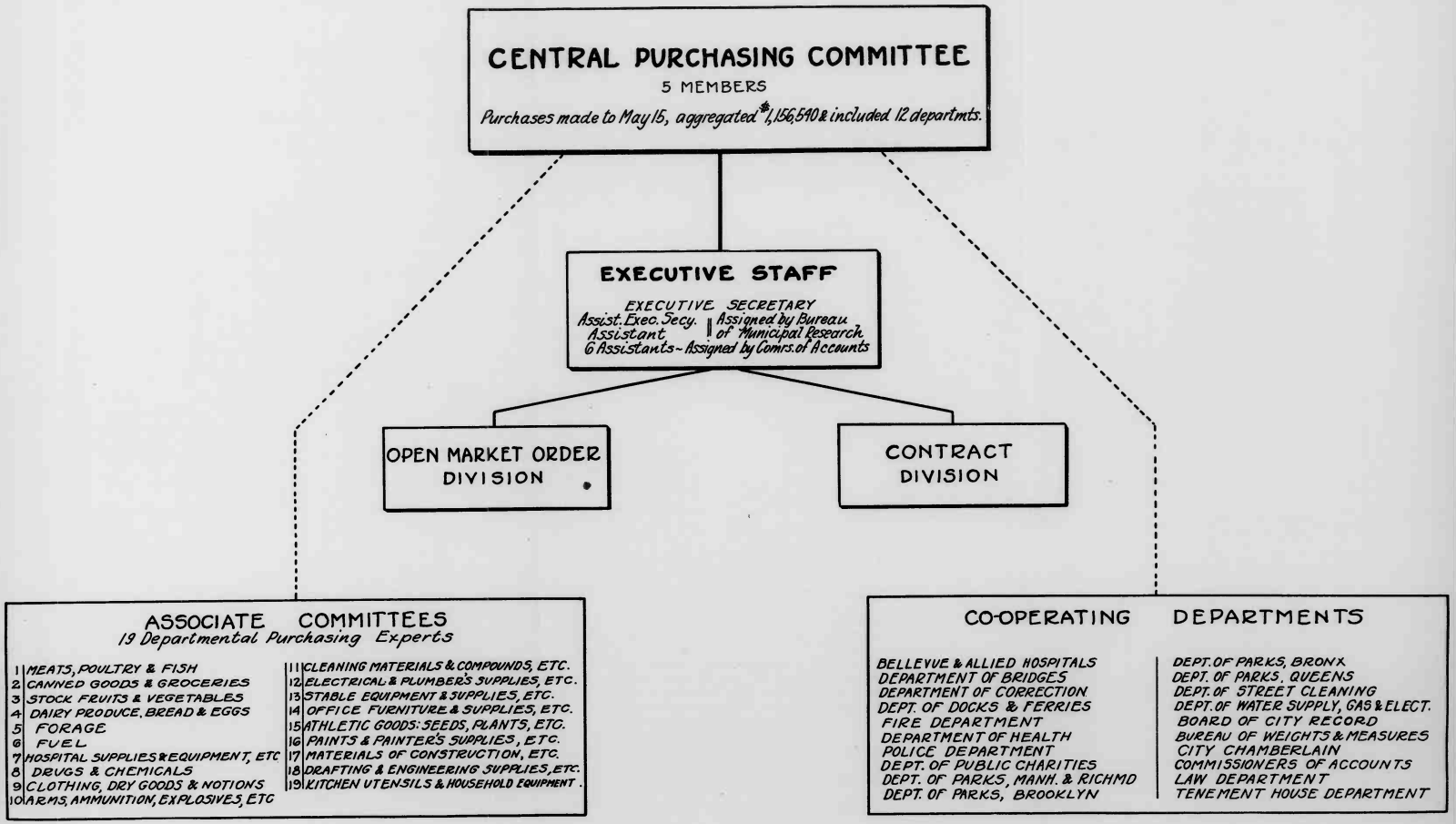
For four years there has been under way in New York City improvement of purchasing methods in individual departments through better systems of purchasing and through the standardization of specifications for supplies by the bureau of standards of the board of estimate and apportionment. There existed, however, wide diversity in the methods and efficiency of purchasing in the several departments under the mayor's control.

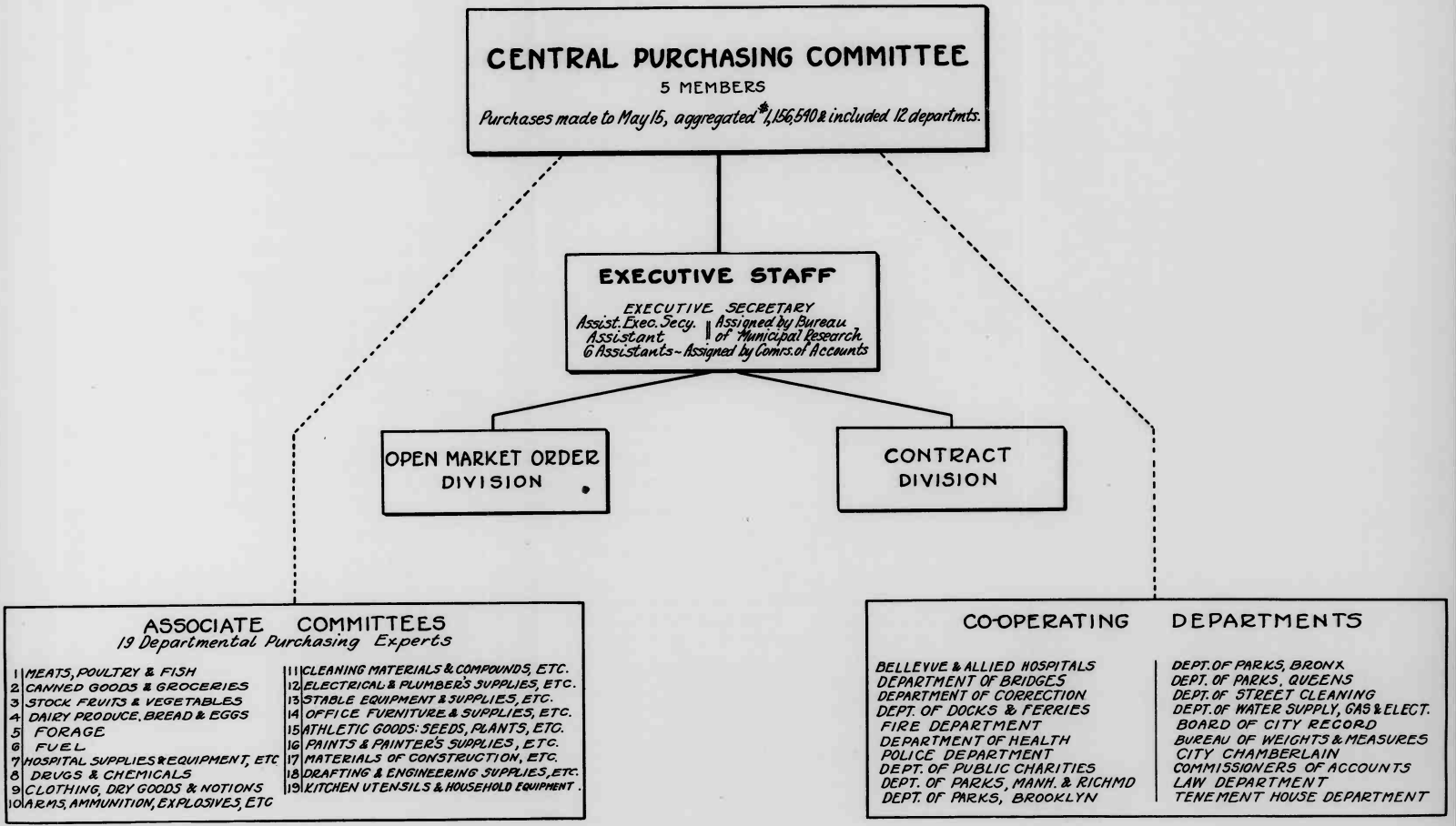
In the spring of last year you appointed a committee of heads of departments to consider the feasibility of establishing, through co-operation between your departments, a central purchasing plan in lieu of a central department of purchases which the legislature had twice in succession refused to sanction.

To work out a method for central purchasing you later appointed a committee of which I was made chairman, consisting of Mr. James McGinley, chief examiner of the commissioners of accounts, Mr. David Ferguson, supervisor of the City Record, who has wide experience in purchasing, Mr. George L. Tirrell, chief of the bureau of standards, and Mr. F. R. Leach. Mr. Leach, a New York certified public accountant, has been especially retained to take executive charge of this work, having personally had valuable experience in the organization of a central purchasing agency. This committee has enlisted the co-operation of all the purchasing agents in the departments under your control. Beginning its work in November 1914, it is taking up item after item of the supplies generally required by your departments.

The following is a brief summary of the steps taken to date and the results accomplished.

1. Organized and placed in operation as assistant directors of the work, an associate central purchasing committee composed of nineteen of the best purchasing, storing and selling experts now employed by the interested departments.


CENTRAL PURCHASING COMMITTEE
5 MEMBERS
Purchases made to May 15, aggregated $1,156,540 & included 12 departmts.
EXECUTIVE STAFF
EXECUTIVE SECRETARY
Assist. Exec. Secy. | Assigned by Bureau of Municipal Research.
Assistant
6 Assistants - Assigned by Comrs. of Accounts
OPEN MARKET ORDER DIVISION
CONTRACT DIVISION
ASSOCIATE COMMITTEES
19 Departmental Purchasing Experts
1 MEATS, POULTRY & FISH
2 CANNED GOODS & GROCERIES
3 STOCK FRUITS & VEGETABLES
4 DAIRY PRODUCE, BREAD & EGGS
5 FORAGE
6 FUEL
7 HOSPITAL SUPPLIES & EQUIPMENT, ETC
8 DRUGS & CHEMICALS
9 CLOTHING, DRY GOODS & NOTIONS
10 ARMS, AMMUNITION, EXPLOSIVES, ETC
11 CLEANING MATERIALS & COMPOUNDS, ETC.
12 ELECTRICAL & PLUMBER'S SUPPLIES, ETC.
13 STABLE EQUIPMENT & SUPPLIES, ETC.
14 OFFICE FUENITURE & SUPPLIES, ETC.
15 ATHLETIC GOODS: SEEDS, PLANTS, ETC.
16 PAINTS & PAINTER'S SUPPLIES, ETC.
17 MATERIALS OF CONSTRUCTION, ETC.
18 DRAFTING & ENGINEERING SUPPLIES, ETC.
19 KITCHEN UTENSILS & HOUSEHOLD EQUIPMENT.
CO-OPERATING DEPARTMENTS
BELLEVUE & ALLIED HOSPITALS
DEPARTMENT OF BRIDGES
DEPARTMENT OF CORRECTION
DEPT. OF DOCKS & FERRIES
FIRE DEPARTMENT
DEPARTMENT OF HEALTH
POLICE DEPARTMENT
DEPT. OF PUBLIC CHARITIES
DEPT. OF PARKS, MANH. & RICHMD
DEPT. OF PARKS, BROOKLYN
DEPT. OF PARKS, BRONX
DEPT. OF PARKS, QUEENS
DEPT. OF STREET CLEANING
DEPT. OF WATER SUPPLY, GAS & ELECT.
BOARD OF CITY RECORD
BUREAU OF WEIGHTS & MEASURES
CITY CHAMBERLAIN
COMMISSIONERS OF ACCOUNTS
LAW DEPARTMENT
TENEMENT HOUSE DEPARTMENT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19 KITCHEN UTENSILS & HOUSEHOLD EQUIPMENT.
CO-OPERATING DEPARTMENTS
BELLEVUE & ALLIED HOSPITALS
DEPARTMENT OF BRIDGES
DEPARTMENT OF CORRECTION
DEPT. OF DOCKS & FERRIES
FIRE DEPARTMENT
DEPARTMENT OF HEALTH
POLICE DEPARTMENT
DEPT. OF PUBLIC CHARITIES
DEPT. OF PARKS, MANH. & RICHMD
DEPT. OF PARKS, BROOKLYN
DEPT. OF PARKS, BRONX
DEPT. OF PARKS, QUEENS
DEPT. OF STREET CLEANING
DEPT. OF WATER SUPPLY, GAS & ELECT.
BOARD OF CITY RECORD
BUREAU OF WEIGHTS & MEASURES
CITY CHAMBERLAIN
COMMISSIONERS OF ACCOUNTS
LAW DEPARTMENT
TENEMENT HOUSE DEPARTMENT

2. Established a legal procedure for preparing and awarding joint consolidated contracts involving two or more departments.
3. Prepared plans for and installed a consolidated contract division of the central purchasing committee, which has undertaken, with every prospect of success, to issue contracts for all departments for:
   a. Meat and poultry, for the entire year of 1915.
   b. All food products, forage and fuel for the last nine months of 1915.
   c. All other supplies, material and equipment for the last six months of 1915.
4. Prepared and awarded consolidated contracts for meat, poultry and coffee involving five departments, with the following results:
   a. In spite of the war and restricted market conditions and specifications, in comparison with the same period last year, the cost in the case of the meat and poultry is lower in one department, and only slightly higher in the others (average 2.3 per cent.), and in the case of the coffee materially lower in all departments. In the department of correction, for example, a very good grade of coffee was obtained for the prisoners, in place of the very inferior grade in use for years, at a saving of over $1,800 or 20 per cent.
   b. Three departments joined in buying at one delivery point, making the proposal more attractive to dealers and tending to reduce cost.
   c. Departmental inspectors met with the central committee and obtained a common understanding of the meaning of specifications, thus inviting greater confidence of dealers through more uniform inspection.
   d. In four weeks ending April 10, 1915, proposals were advertised and bids obtained for fuel, forage, milk and cream, butter and eggs, canned goods and groceries. The prices obtained on the five sets of bids opened during the period were very favorable.
   e. A number of departments, after they had conferred together, decided to take cheaper grades of various items, with the knowledge that the new kinds would fully meet their needs.
   f. The departments were made to see that while one department might be put to a little extra cost by reason of some change proposed, the result in other departments would be a material saving.
5. Prepared and advertised proposals for food products, forage and fuel for from five to fifteen departments. This work was done by representatives of the various interested departments meeting together and determining what their common interests were. Real co-operation and standardization was the result. Ten common items of forage were selected, all odd kinds not used by more than one department being abandoned. Uniform samples were

adopted, existing specifications were improved, and new ones written where none existed. As a result of the large number of departments taking part, bids on larger quantities were offered to dealers to be delivered in smaller zones or districts, thus inviting wider competition and better prices.

6. Relieved departments of much of the clerical work on contracts and of the expert work in preparing proposals. This will tend to lower clerical costs in the departments.
7. Planned a clearing house and central exchange for the disposal of overstock not needed by the departments having it on hand, so that nothing will be sold until it is determined that none of the mayor's departments has use for it.
8. Planned to develop the natural productive resources of the departments that own farms, timber land, etc., so that any production in excess of the needs of that department will be used to advantage in reducing the quantities which other departments have to buy from outside dealers. These items will include ice, food products, lumber, brick, broken stone, etc.

It must be borne in mind that this work is being done experimentally with only delegated authority, and was begun with the idea that it would serve merely as a practical preparation for a permanently established central purchasing agency. Its chief significance is that it represents the actual putting into effect of an administrative improvement that has been conceded for years to be demanded by good business practice. By January 1, 1916, we shall have worked out the method of central purchasing and be prepared to frame a permanent plan on proved experience. In this work as in other matters we have the helpful co-operation of the comptroller.

All this work has been accomplished without an additional dollar of appropriation for employees or supplies and has progressed so far without the slightest sign of friction between any of the departments co-operating, and the various committee chairmen are taking great pride and interest in their work.

Centralizing Building Inspection

Early last year I made a study of alleged duplications and overlapping of inspection with respect to buildings, and as a result recommended to you the establishment of a department of buildings in which would be located all control over new building construction in the city of New York, and to which would be assigned the approval of plans in respect of fire prevention, the tenement house law, the state factory law and the health code. In my recommendations I suggested that there be left in the tenement house department control over completed tenement structures, and in the bureau of fire prevention control over the maintenance of standard fire conditions in buildings other than tenements, but that the control over lighting

installations now exercised by the department of water supply, gas and electricity be transferred to a central department.

The results of this study were placed before the state factory commission in its investigation of duplications of inspection service and were also submitted to various real estate bodies. To the recommendations, however, there arose the objection that the proposed plan would remove from the borough authorities control over building construction. A counter-proposal was made, in which I have not been able to concur, that all supervision of buildings other than that exercised over completed tenements be vested in the five separate building bureaus of the boroughs, each to have jurisdiction only over its respective borough.

In the investigation of alleged inspection duplications it was found that the existing duplications resulted in unnecessarily frequent inspections rather than in conflicting or duplicating orders, inasmuch as the purposes of the inspections were entirely distinct. The fact remains, however, that the following authorities have jurisdiction over buildings in the course of construction:

Bureau of buildings—all buildings
Tenement house department—all tenements
Fire department—fire exits and fire hazards of all buildings
Health department—bakeries, slaughter houses, etc.
Department of water supply, gas and electricity—wiring, etc., of all buildings
Department of licenses—area and light of theatres, dance halls, etc.
State department of labor—all factories, department stores, etc.

And the following over buildings completed:

Bureau of buildings—the safety of all buildings (except as mentioned)
Tenement house department—all tenement houses
Fire department—all fire exits, etc.
Health department—all nuisances and sanitation.
Department of licenses—moving picture shows, dance halls, etc.
Department of water supply, gas and electricity—water waste and non-metered buildings
Police department—boiler inspection
State department of labor—factory and department store conditions

In my judgment there is no reason why all of this work should not be performed by a single department. Weighed against the objection that one department could not maintain suitable facilities for the convenience of the various boroughs, in regard particularly to promptness in rendering decisions, is what seems to me to be the more serious objection of scattering in five jurisdictions responsibility for the enforcement of laws which so intimately affect the welfare of the people of the city of New York as laws in reference to tenement house construction and fire prevention. These laws

have been enforced scrupulously in the past, due largely to the particular interest of special citizen agencies devoted to their enforcement. It is unfair to expect citizens to provide means for watching the enforcement of these laws in five jurisdictions. The city is not prepared for a backward step in regard to the protection of life and property in buildings. It demands, however, more effective administrative organization of this work. To this the owners of property are entitled.

Centralizing Automobile Service

Working with a committee of commissioners appointed for this purpose, the efficiency staff of the commissioners of accounts under my direction gathered information relative to the automobile service utilized by the mayor's departments. Our intention was immediately to organize a central garage service. Preliminary inquiry showed, however, that there were serious objections to removing from the jurisdiction of the fire and police departments the complete control which they now have over the automobiles used in their service. Without these automobiles, a central motor service plant did not seem feasible or economical. We have not, however, abandoned the project, and have now installed records in the various departments to record the extent and character of use of all city cars in order that we may learn whether they are properly and economically used, and to what extent motor service may be combined for a group or all of the mayor's departments.

I am not prepared to make definite recommendations in this regard until the facts obtained by these records are accumulated. We expect to be in a position to take definite action in this matter in a few months. We should then settle with some finality the much discussed question of city automobile service.

Centralizing Telephone Service

When the departments moved into the Municipal Building, they took with them their independent telephone switchboards and operators. I made an examination of the possibility of effecting economies in telephone service through the consolidation of departmental switchboards. During the planning of the building the bridge department had also studied the question of economy in telephone service. On the basis of these examinations a conference was arranged with the borough president and recommendations submitted to him. As a result a consolidation has been effected whereby the expense of telephoning between departments located in the Municipal Building has been practically eliminated. A switchboard has been

installed which not only handles all interdepartmental calls, but also supplies general telephone service for the following departments:

Department of taxes and assessments
Public recreation commission
Office of the building
Commissioners of estimate and appraisal in condemnation proceedings
Examining board of plumbers
Board of examiners (building)
U. S. Volunteer Life Saving Corps
Charter revision commission.

This switchboard was placed in operation on August 19, 1914, and from that date up to and including December 31, 1914, has supplied service as follows:

Incoming calls	16,425
Outgoing calls	15,921
Interdepartmental calls	59,621
Total	91,967

The present saving on the interdepartmental service alone is approximately $300 a month.

An additional switchboard has also been installed to take over the service of the department of public works, the department of water supply, gas and electricity, and the board of city record. This consolidation is being made to determine the advisability of centralizing the telephone service of all the city departments located in the Municipal Building. This arrangement would undoubtedly greatly reduce the cost of telephone service and practically at no extra cost to the city a continuous service could be maintained.

This work was executed by the office of the president of the borough of Manhattan, my power being limited to making the necessary investigations and recommendations.

Coal Economies

One of the most striking economies effected in the reorganization of the borough of Manhattan under President McAneny was in the matter of coal. For this work President McAneny had engaged a special engineer to give attention to a large item of city expense theretofore practically neglected. By changing the size of coal, altering grates, and introducing better methods of stoking, reductions were made in labor charges and coal bills cuts practically in half.

No similar work had been done in the mayor's departments so far as I knew, except in the department of water supply, gas and electricity. In charities and correction, where large quantities of coal are consumed, old practices still prevailed. I employed a mechanical engineer with special training in engine room practice and fuel econ-

omy, formerly attached to the water department. This engineer was assigned to the study of conditions in the department of correction. At the conclusion of his study, in order that the necessary changes might be properly made, he was employed on the staff of that department. As the commissioner of correction will report to you, most emphatic economies are already resulting from this change.

My plan was to maintain a central staff in the commissioners of accounts' office for the reorganization and supervision of engine room practice. In order to assist the department of correction to obtain results this plan was deferred. We have again taken up this question with a view ultimately to organizing a central division for building plant and equipment maintenance, and for standardizing throughout the city departments, methods of operation. This is a crying need and is one of the administrative changes that we now have in definite contemplation.

School Studies

Under my supervision studies are being made of the methods employed in cleaning school buildings. Attempts have been made at various times to work out economies in this field of city expenditures. But superficiality of investigation plus the organized opposition of the school janitors and the acquiesence of the board of education have always defeated action. We are now receiving the co-operation of the department of education and shall submit recommendations when their feasibility is conclusively demonstrated by actual test operations.

Lighting Bureau—Department of Water Supply, Gas and Electricity

In reviewing the requests of the departments under the mayor's control in the preparation of the executive budget estimate, special attention was given to the requests for lighting. The allowances for street, park and public building lighting aggregated for 1914 $4,664,126.64. I had been convinced for some time that in the lighting of the city there was room for very great economy. This judgment was based upon the belief that there had never been made a proper study of the lighting requirements of the different sections of the city, and that additional street lights had too often been installed as a result of purely local demand. Furthermore, from personal inspections I learned that in many sections of the city the lighting was excessive.

Accordingly, a special study was made of the possibilities for economy in the 1915 appropriations for street and park lighting and the lighting of public buildings, for it was also clear that adequate control had never been exercised over the lighting of

public buildings. My first consideration of this question was in connection with the reorganization of the department of public works under Borough President McAneny in 1910, when economies were effected in lighting public buildings in City Hall Park by utilizing the lighting plant in the Hall of Records, not only for that building, but for the County Court House and the Brownstone Building. Accordingly, I had an analysis made, and had prepared for the first time in the history of the lighting bureau a record of the cost of lighting public buildings, for a series of years. This tabulation showed an excessive cost in many instances and was the basis of a thorough investigation by the water commissioner.

In connection with the street lighting study I directed attention primarily to the following points:

1. Rates paid by the city for each type of lighting unit.
2. Whether the types of unit used were suited to the needs of the districts served.
3. Whether the cheapest and most efficient units were being used.
4. Necessity for the extensions of service requested by the chief engineer.
5. Use to which former appropriations for extensions of service had been put.
6. Whether the illumination of certain sections of the city was excessive.

The conclusions reached as a result of this study were that in many cases the choice of lighting units had not been made with regard to the needs of the districts served, that many of the extensions of service proposed for 1915 were unnecessary, that certain sections of the city were extravagantly lighted, and that the substitution of the new nitrogen filled tungsten lamp for the old type of enclosed arc lamps would save the city many hundred thousand dollars.

During the course of this investigation attention was called to the wasteful use of electric current in the Municipal Building, which led to the issuance of orders by the borough president and the comptroller with a view to checking waste. This whole subject is now under the thorough control of the water commissioner, and very material economies are being effected. In all this work we had the hearty co-operation of Commissioner Williams and his staff. Many of the specific suggestions made were immediately adopted by the commissioner, with the result that his preliminary requests for public lighting were reduced by about $270,000.

The budget estimates, however, had to be transmitted to the board of estimate before all the economies indicated by this study could be reflected therein. This was especially true in the case of

the recommended substitution of the nitrogen filled lamp for the arc. The examination was continued and extended by the bureau of contract supervision in the course of its budget work as well as by the commissioner of water supply, with the result that the 1915 appropriation for public lighting was less by about $600,000 than the corresponding 1914 appropriation.

During this study the chief engineer of light and power resigned, an engineer drawn from the federal service was put in charge of the bureau by the water commissioner, and the reorganization of the bureau was begun.

Study of Municipal Employees' Pension Systems

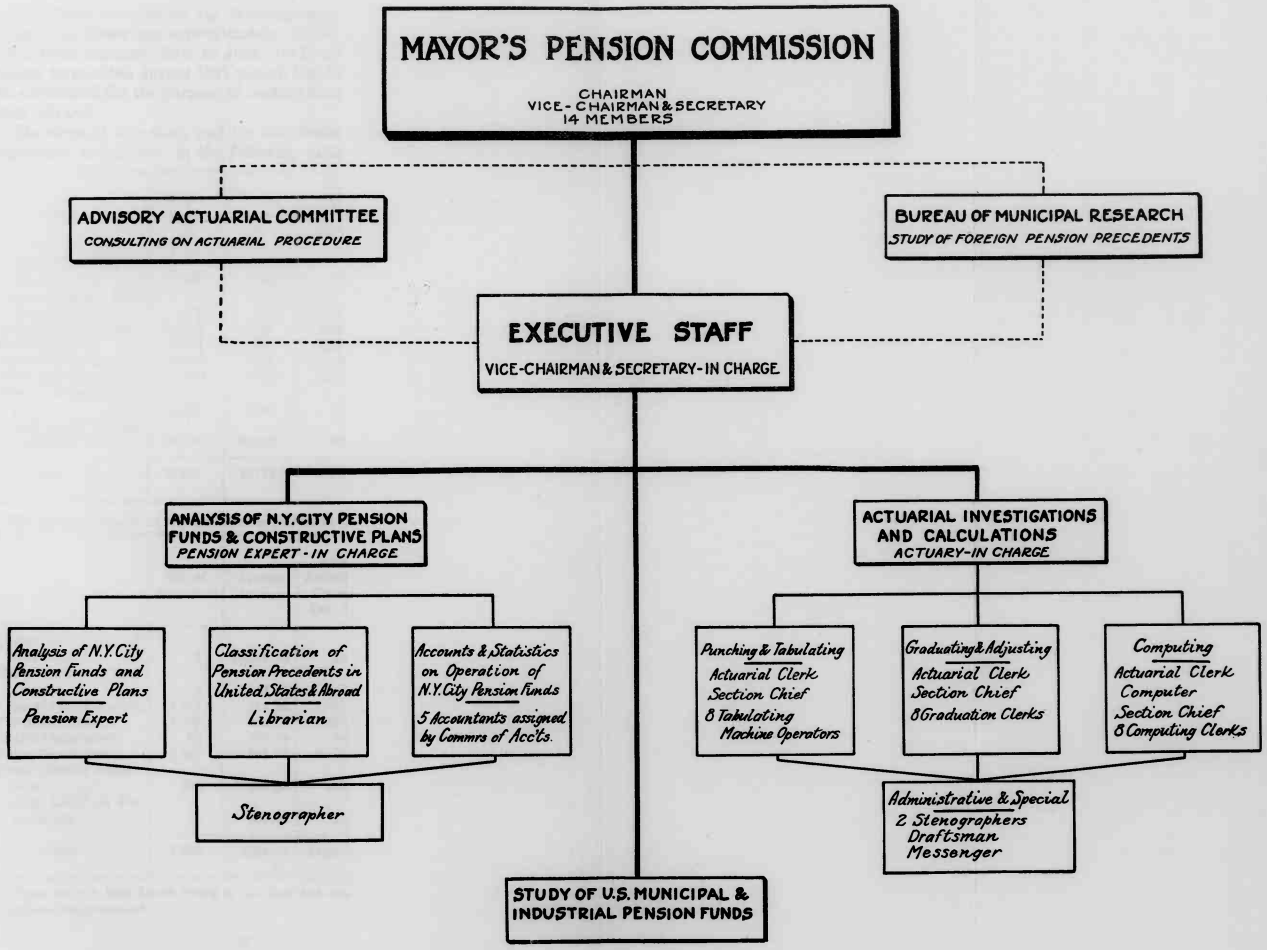
One of the largest undertakings that have been under my direction during the past year is the work of the mayor's pension commission, of which Mr. George W. Perkins is chairman and I vice-chairman and executive secretary. The pension commission was originally appointed by Mayor Gaynor in the summer of 1913. The work began under Mayor Kline, a series of hearings being held after preliminary information had been gathered regarding the city's existing pension funds. More extensive investigation was not inaugurated until March, 1914, when an appropriation of $31,839.73 was made available for the balance of that year, by the board of estimate and apportionment, and a staff engaged for the work.

No pension study so comprehensive and thorough-going as that now under way has ever been made in this or any other city. The problem is made doubly difficult, first, by its extensiveness and complexity, and second, by the lack of precedents to follow.

New York was the first American city to pension its employees, and is apparently the first city in this country which has undertaken a scientific investigation of pensions looking toward the establishment, on an actuarial basis, of a pension system which will handle annuity and insurance benefits in the manner in which the law requires insurance companies to handle them.

There are established at present one general and seven departmental pension systems. In four cases funds have been established through contributions by the city and by employees. The condition of all these funds is precarious, several of them being actually depleted. The eight existing systems, including the so-called Grady Law, affect practically the entire classified service, or about 80,000 active employees, in addition to 8,100 persons who are now receiving pensions.

In order properly to study both the probable operation and future financial condition of existing pension funds and to plan for a properly financed new fund, either for individual departments or the city as a whole, it was necessary to consider, in addition to the above 88,100, all persons who were in the service at any time during the


MAYOR'S PENSION COMMISSION
CHAIRMAN
VICE-CHAIRMAN & SECRETARY
14 MEMBERS
ADVISORY ACTUARIAL COMMITTEE
CONSULTING ON ACTUARIAL PROCEDURE
BUREAU OF MUNICIPAL RESEARCH
STUDY OF FOREIGN PENSION PRECEDENTS
EXECUTIVE STAFF
VICE-CHAIRMAN & SECRETARY-IN CHARGE
ANALYSIS OF N.Y. CITY PENSION FUNDS & CONSTRUCTIVE PLANS
PENSION EXPERT - IN CHARGE
ACTUARIAL INVESTIGATIONS AND CALCULATIONS
ACTUARY-IN CHARGE
Analysis of N.Y. City Pension Funds and Constructive Plans
Pension Expert
Classification of Pension Precedents in United States & Abroad
Librarian
Accounts & Statistics on Operation of N.Y. City Pension Funds
5 Accountants assigned by Commrs of Acc'ts.
Stenographer
Punching & Tabulating
Actuarial Clerk
Section Chief
8 Tabulating Machine Operators
Graduating & Adjusting
Actuarial Clerk
Section Chief
8 Graduation Clerks
Computing
Actuarial Clerk
Computer
Section Chief
8 Computing Clerks
Administrative & Special
2 Stenographers
Draftsman
Messenger
STUDY OF U.S. MUNICIPAL & INDUSTRIAL PENSION FUNDS

six-year period covered by the investigation, or who were then on pension. As there are approximately 40,700 persons who left the service from January, 1908 to June, 1914, and 2,200 persons whose pensions terminated during that period, the total number of persons to be considered for the purpose of making computations was approximately 131,000.

The scope of this study and the distribution of employees among departments is indicated in the following table:

Fund	Active Service	Out of Service	Live Pensioners	Terminated Pensions	Total
1. College of the City of New York	218	89	4	1	312
2. Court, Supreme, First Department	245	30	10	3	288
3. Department of Education	20,000	3,967	1,531	262	25,760
4. Fire Department	5,009	433	1,654	501	7,597
5. Health Department	1,601	1,198	93	11	2,903
6. Police Department	10,780	1,463	4,278	1,322	17,843
7. Street Cleaning Department	5,434	2,690	437	80	8,641
8. "Grady Law," all Departments	36,548	30,902	104	13	67,567
Total	79,835	40,772	8,111	2,193	130,911*

The financial scope of the problem is shown in the following table:

Fund	No. of Pensioners	Average Pension	Amount of Annual Pension Charge as of Dec. 31, 1913	Amount Contributed Directly and Indirectly by the City
1. College of the City of New York	4	$1,081.25	$4,325.00	$10,000.00
2. Court, Supreme, First Department	8	1,143.75	9,150.00	6,698.10
3. Department of Education	1,515	779.85	1,181,471.67	724,336.23
4. Fire Department	1,636	633.53	1,036,456.40	961,189.50
5. Health Department	76	793.81	60,330.00	66,042.10
6. Police Department	4,201	583.28	2,450,365.51	1,989,738.03
7. Street Cleaning Department	356	395.38	140,753.50	168,023.39
8. "Grady Law," all Departments	63	839.64	52,897.48	30,980.05
Total	7,859	$628.04	$4,935,749.56	$3,957,007.40

* These are not final figures owing to the fact that census reports must be edited and duplicate cards removed.

The mere fact that $4,935,749.56, (of which $3,957,007.40 comes directly or indirectly from the city treasury), is paid out each year in pension benefits indicates the magnitude of the problem involved in putting in order the present pension systems, irrespective of the working out of a new pension plan.

The following summary of requirements of several funds will still further indicate the importance of this study to the city employees and to the taxpayers:

1. *Police Pension Fund*—Established in 1857.

   Membership—Uniformed force, compulsory.

   Contributions—2 per cent. of salary.

   Benefits—to members because of service or disability based upon final salary, generally one-half.
   —to widows, children and dependent parents on death of active members and pensioners in amounts not exceeding $600 at the discretion of the commissioner.

   Financial Condition—No reserve; regular income from miscellaneous sources insufficient to cover annual demands since 1904. Deficiencies covered by budgetary appropriations.

2. *Fire Department Relief Fund*—Established in 1871.

   Membership—Uniformed force.

   Contributions—None.

   Benefits—to members because of service or disability based upon final salary, generally one-half. Law allows pensions of more than half the salary at discretion of commissioner.
   —to widows, children and dependent parents on death of active members and pensioners one-half of the final salary up to a maximum of $1,000 if death resulted from active performance of duty. In all other cases in amounts not exceeding $300 at the discretion of the commissioner.

   Financial Condition—Reserve of about $800,000 not applicable to deficiencies. Regular income from miscellaneous sources insufficient to cover annual demands since 1912. Deficiencies covered by sale of special revenue bonds.

3. *School Teachers' Retirement Fund*—Established in 1894.

   Membership—All regular teachers, compulsory.

   Contributions—1 per cent. of salary.

   Benefits—After thirty years of service upon application and after twenty years of service in case of disability. Fifteen years of such service in schools of N. Y. City. Pension of one-half final salary, with maximum of $2,000 and minimum of $600 in case of regular pension. One-sixtieth of final salary for each year of service in case of disability pension.

TYPE OF STATISTICAL CARD USED IN PENSION CENSUS OF EMPLOYEES

COMMISSION ON PENSIONS

I hereby certify that the answers to the following questions are true and correct to the best of my knowledge and belief.

Name in full _____
Family name. Given name or names.

Date of Birth _____

Bureau, office or branch _____

Department or Independent institution _____

Borough _____

№ 141022

3165–14 (B) 450,000

ACTIVE SERVICE CARD

NOTICE

Please exercise great care in answering the inquiries on this schedule. If in doubt as to proper answer to any question, consult the immediate superior officer or person designated by the head of the department to answer such inquiries. The purpose of these questions is to secure for the benefit of the Commission on Pensions the necessary statistical basis for proposed pension laws for city employees. Incorrect or careless statements will seriously affect the accuracy of the entire result. In the interest of a sound pension system your hearty co-operation is urged in making this census as accurate as possible. Your answers will be used collectively and no individual records will be published.

Department _____ **Bureau, office or Branch** _____ **Section or Division** _____ **№ 141022**

1. Mark below with a cross (x) the pension fund from which you may be pensioned now or at a later time

Police Department		Fire Department		Street Cleaning Department		Health Department		College of the City of New York	
Normal College		School Teachers		Supreme Court		Grady Law, or not covered by pension			

2. Active Employee (make no entry)

Check below by a cross (x) whether employed mostly indoors or out

3. State title of your position as it appeared on the pay roll June 30, 1914 _____ **Indoors** | | **Outdoors** | |

	Month	Day	Year
4. Give the date you were born			
5. Give date of beginning your present service in this department			
6. Give date of wife's birth			
7. Give date of wife's death, if dead, and employee has remained unmarried			

8. Give name and age of each of your children. If you have no children write in words "No Children." List according to age, eldest first.

Name	Age June 30, 1914 Years	Months
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

9. What was your rate of compensation on June 30.

Year	If on annual salary give rate per annum	If on per diem basis: Give rate per day	If on per diem basis: Number of days per annum in budget
1910			
1911			
1912			
1913			
1914			

10. What is the amount of your present annual pension $_____

11. From what pension fund _____

12. Check by a cross (x) marital condition | Single | | Married | | Widowed | | Divorced | |

13. Check sex (x) | Male | | Female | |

14. If you are a veteran, check (x) war in which you became such | Civil War | | Spanish War | | Regular Army or Navy Service | |

15. State your entire service in order of time in this or other departments or branches of the city or county governments or in the courts. Give present service last.

Name of Department or Institution in which you have been employed	From Date of Appointment: Month	Day	Year	To Date of Termination: Month	Day	Year	Length of Service: Years	Months
(1)								
(2)								
(3)								
(4)								
(5)								
(6)								
(7)								
(8)								
(9)								
(10)								

Total Service

Give total service below under (a) and (b) as follows:

	Years	Months
(a) Up to beginning of present service		
(b) Entire service		

Card reviewed by _____ **Official Address** _____ **Telephone Number** _____

Financial Condition—Reserve of $800,000 not applicable to deficiencies. Regular income from miscellaneous sources insufficient to cover annual demands since 1913. No provision in law as to deficiencies, which until now have been covered by city advancing part of next year's income; in this way deficiency has been pyramided.

An analysis of the financial condition of the existing funds shows that in no case had provision been made for an adequate reserve for the liabilities assumed by them, that increasing charges will be heaped upon the taxpayers to meet the needs of the police and fire funds, and that the teachers' pension fund is confronted with inability to pay its current demands, and is, commercially speaking, bankrupt. These are the three largest funds in operation in the city.

The city has no liability for the teachers' pension fund. It contributes indirectly through excise taxes and deductions from teachers' salaries for absences, etc., approximately $550,000 a year. The teachers contributed in 1913, $270,000. In 1913 the income from this fund was insufficient to meet the current demands on the fund by upwards of $275,000. The major part of this deficit was supplied by advancing excise taxes due the fund for the following year.

The teachers' pension fund is in radical need of reorganization, but the reorganization of a fund providing pensions for 20,000 or 25,000 employees cannot be done by any off-hand adjustment. An actuarial study of this fund, such as the pension commission is now making, is essential to a determination of present values and computation of the cost of whatsoever plan is adopted.

The street cleaning fund which exacts 3 per cent. contributions from that moderately paid body of employees, provides also for a variety of benefits which will necessitate the upbuilding of a great reserve fund, if fairly early bankruptcy is to be avoided.

The Grady Law, under which the board of estimate and apportionment may retire city employees after thirty years of service (in the case of Civil War veterans, after twenty years of service), who are mentally or physically unable to perform their duties, will entail on the city no one knows what future liabilities, unless retirements are arbitrarily denied.

No pension plan will justify itself as a measure of economy and good administration unless it is based upon the theory of removing from the service superannuated or disabled employees whose presence is a greater detriment than a benefit, and unless provision is made to accomplish this retirement on a just basis, just both to employees and to taxpayers. Humane considerations are important, but they should not, of course, be the governing considerations in the formulation of a pension plan, for they cannot be governed by fixed rules and do not run directly to the efficiency of service. Pension rights, moreover, should be definite and not vague as under the Grady law. It

is almost the universal judgment that they should be based upon a joint contribution of the beneficiary and the employer. Under the Grady law the entire pension is paid out of the city treasury, and no contributions are made by the city employees.

The pension systems of New York are in the greatest possible confusion; they lack uniformity, soundness of financial provision, and in some cases are uncertain with respect to future benefits to participants. In nearly every case where the city is required to meet deficiencies, they will prove a great burden on taxpayers unless some financial provision is made to build up reserves against future liabilities. The financial condition of some of these funds, particularly the police and teachers' retirement funds, are analogous to conditions that would prevail if the city issued long term bonds falling due in varying amounts in different years, and made no sinking fund provision for them. As the outstanding bonds matured the annual burden on taxpayers would become insufferable.

If it were not for the fact that pension systems generally are now going through the same experience that life insurance underwent half a century ago, due to miscalculation, lack of experience and almost childish optimism regarding the future by those who planned the systems, the condition of the New York City funds would be justly termed scandalous. There is no more urgent problem confronting the city than the reorganization of these funds. It is only a part of the general disregard of the financial problems of the city in past times that these funds have been so long neglected. One of the city's pension funds is nearly sixty years old, but the present pension commission is the first to prepare tables on which to base calculations of pension cost. Without tables it is impossible for anyone to make an estimate of the cost of any of the pension provisions in the various laws effecting the municipality.

If the city expects to provide pensions for its employees in return for contributions of salary or contributions of service it stands in need of a mortality investigation before it can do business properly. As a part of its actuarial work the commission's experts are preparing mortality and service tables for each department having a pension fund, and tables for the departments covered under the Grady Law, these departments being grouped according to similarity of service and classes of employees. The tables will show the mortality among persons in different branches of the city service, the mortality due to service accidents, the rate of disability and invalidity, the rate of resignation and dismissal, and the rate of retirement on pension. The mortality among past pensioners or annuitants of the city will also be shown as far as practicable. Tables are being prepared showing the marital condition and the size, age and sex of families of employees. This information is necessary in order to value the liability under the pension provisions for widows and chil-

REDUCTION RATIO 12:1

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PM-MGP
METRIC GENERAL PURPOSE TARGET
PHOTOGRAPHIC

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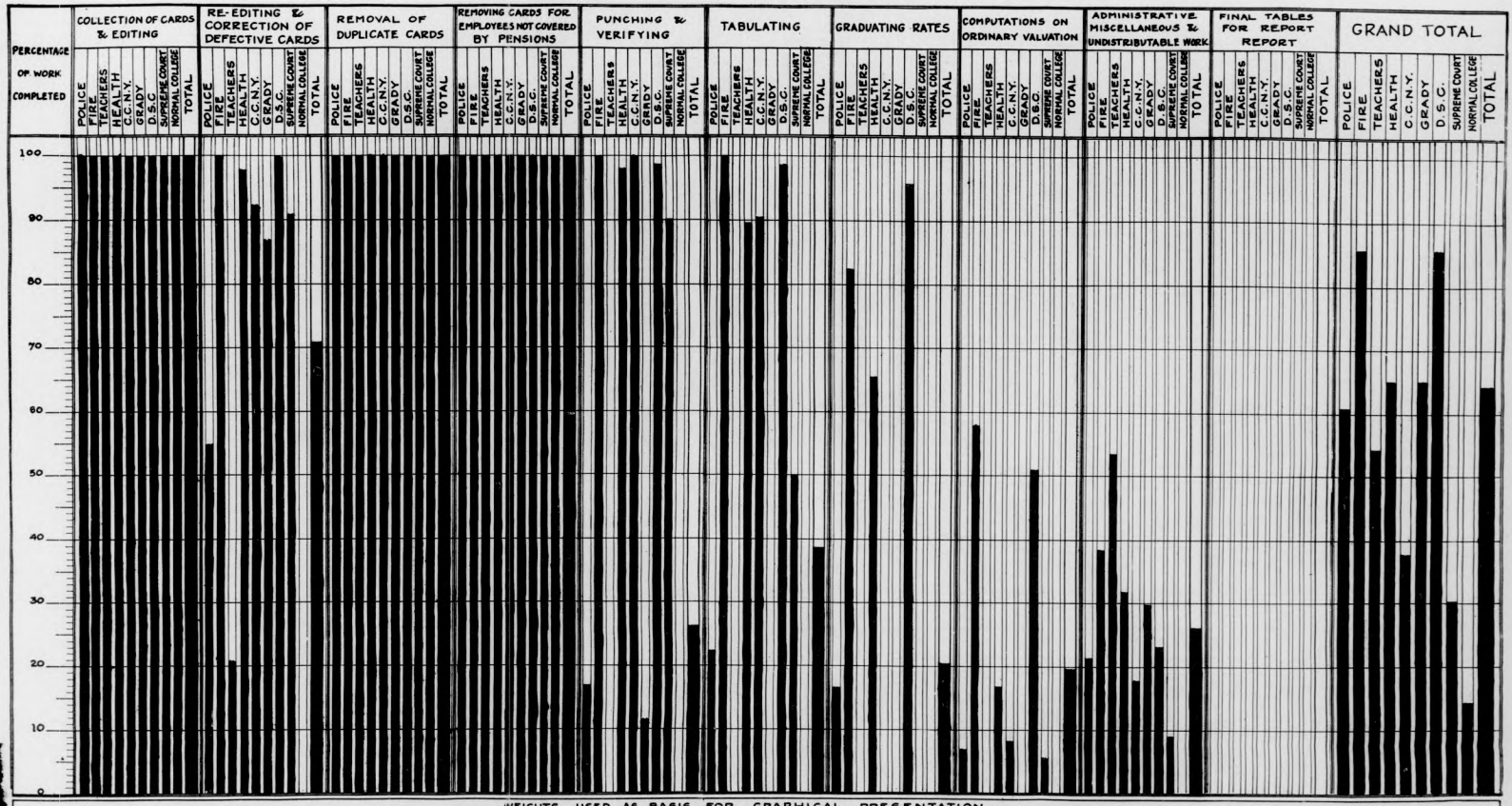
COMMISSION ON PENSIONS
ACTUARIAL DIVISION

PROGRESS CHART I

Showing by Departments each Classification and Total Estimated Work to be done and the Proportion of such Work Completed up to the indicated Date of Correction in the Preparation of the Actuarial Valuation of the Assets and Liabilities of ALL PENSION FUNDS OF THE CITY OF NEW YORK

CORRECTED TO
APRIL 30, 1915

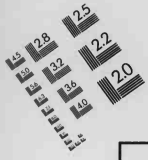


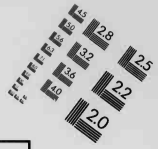
WEIGHTS USED AS BASIS FOR GRAPHICAL PRESENTATION

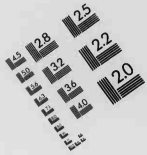
	COLLECTION OF CARDS & EDITING	RE-EDITING & CORRECTION OF DEFECTIVE CARDS	REMOVAL OF DUPLICATE CARDS	REMOVING CARDS FOR EMPLOYEES NOT COVERED BY PENSIONS	PUNCHING & VERIFYING	TABULATING	GRADUATING RATES	COMPUTATIONS ON ORDINARY VALUATION	ADMINISTRATIVE MISCELLANEOUS & UNDISTRIBUTABLE WORK	FINAL TABLES FOR REPORT REPORT	GRAND TOTAL
Estimated Percentage Distribution of Work as per Classification	POLICE .1557 · FIRE .5360 · TEACHERS .0720 · HEALTH .2400 · C.C.N.Y. .0136 · GRADY .0623 · D.S.C. .0017 · SUPREME COURT .0100 · NORMAL COLLEGE .0021 · TOTAL 100.0	POLICE .1558 · FIRE .5360 · TEACHERS .0720 · HEALTH .2400 · C.C.N.Y. .0136 · GRADY .0632 · D.S.C. .0018 · SUPREME COURT .0100 · NORMAL COLLEGE .0021 · TOTAL 100.0	POLICE .1622 · FIRE .6400 · TEACHERS .0838 · HEALTH .0528 · C.C.N.Y. – · GRADY .0034 · D.S.C. .0178 · SUPREME COURT .0034 · NORMAL COLLEGE – · TOTAL 100.0	POLICE – · FIRE – · TEACHERS – · HEALTH – · C.C.N.Y. – · GRADY .1825 · D.S.C. – · SUPREME COURT .1750 · NORMAL COLLEGE – · TOTAL 100.0	POLICE .1644 · FIRE .6400 · TEACHERS .0837 · HEALTH .0211 · C.C.N.Y. .0028 · GRADY .0281 · D.S.C. .0054 · SUPREME COURT .0081 · NORMAL COLLEGE .0034 · TOTAL 100.0	POLICE .0998 · FIRE .6802 · TEACHERS .0930 · HEALTH .0592 · C.C.N.Y. .0247 · GRADY .0298 · D.S.C. .0033 · SUPREME COURT .0081 · NORMAL COLLEGE .0016 · TOTAL 100.0	POLICE .0823 · FIRE .5218 · TEACHERS .0184 · HEALTH .2015 · C.C.N.Y. .0423 · GRADY .0686 · D.S.C. .0149 · SUPREME COURT .0037 · NORMAL COLLEGE .0035 · TOTAL 100.0	POLICE .0187 · FIRE .6534 · TEACHERS .0243 · HEALTH .0205 · C.C.N.Y. .0215 · GRADY .0240 · D.S.C. .0156 · SUPREME COURT .0460 · NORMAL COLLEGE .0085 · TOTAL 100.0	POLICE .8460 · FIRE .0880 · TEACHERS .0219 · HEALTH .0460 · C.C.N.Y. .0521 · GRADY .0282 · D.S.C. .0500 · SUPREME COURT .0152 · NORMAL COLLEGE .0021 · TOTAL 100.0	POLICE .1843 · FIRE .2185 · TEACHERS .0941 · HEALTH .1588 · C.C.N.Y. .1846 · GRADY .0541 · D.S.C. .0137 · SUPREME COURT .0078 · NORMAL COLLEGE .0084 · TOTAL 100.0	POLICE .1214 · FIRE .7115 · TEACHERS .0539 · HEALTH .0457 · C.C.N.Y. .1158 · GRADY .0848 · D.S.C. .2644 · SUPREME COURT .2599 · NORMAL COLLEGE .0036 · TOTAL 100.0
Estimated Percentage Distribution of all Work.	.4538 .1561 .0637 .0209 .0397 .0040 .0181 .0018 .0029 .0291	.3481 .1677 .0501 .0180 .0561 .0044 .0171 .0018 .0035 .2533	.2318 .0889 .0508 .0180 .0011 .0011 .0081 – .0011 – .1441	.1492 .0470 .0106 .0038 .0011 .0022 .0281 .0054 .0034 .1723	.0960 .0402 .0091 .0036 .0247 .0040 .0298 .0033 .0081 .0010 .0935	.0057 .0039 .0015 .0009 .0149 .0037 .0240 .0156 .0460 .0085 .0529	.0077 .0077 .0034 .0035 .0151 .0045 .0342 .0021 .0181 .0029 .0897	.0011 .0011 .0010 .0012 .0048 .0049 .0012 .0018 .0081 .0029	.0121 .0121 .0115 .0115 .0115 .0115 .0115 .0115 .0115 .0115 .0115	.0121 .0121 .0115 .0115 .0115 .0115 .0115 .0115 .0115 .0115 .0115	.0121 .0121 .0115 .0115 .0115 .0115 .0115 .0115 .0115 .0115 .0115
Item Considered as UNIT of Work.	One Census Schedule made out edited first time numbered, filed numerically and coupon filed alphabetically.	One Census Schedule carefully reviewed, tallied, with missing information supplied on defective cards.	One Coupon matched to one with same name withdrawn from file, schedule withdrawn from numerical file, duplicates compared and cards adjusted.	One Exempt, Appointee or Elective Position connected with incumbents name, survey as year, period by means of directory cards withdrawn and handled for same.	One Punch Card prepared from data on census schedule, information coded before punching and punched card verified back to original schedule.	One Punch Card tabulated on every table in which it is included and the cards assorted and filed away.	One unadjusted rate as prepared from data completed, graduated, checked and compared.	One working table used in the preparation of the valuation completely prepared and verified as to computations.	No unit. Estimate based on similar work for other funds.	No unit. Estimate based on similar work for other funds.	—
TOTAL Units of Work.	131680	131680	24825	5847	182895	182895	226	1,050	—	—	—
Total Days for One Clerk to Complete Total Units	6344	5000	277	285	1425	1920	1296	1130	1768	255	19700

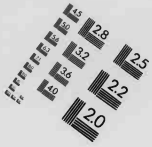
REDUCTION RATIO 11:1

PM-MGP
METRIC GENERAL PURPOSE TARGET
PHOTOGRAPHIC









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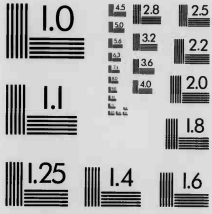

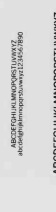

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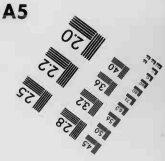

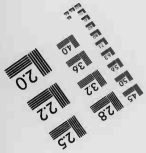

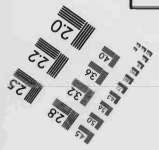

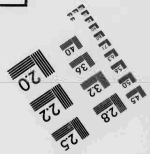

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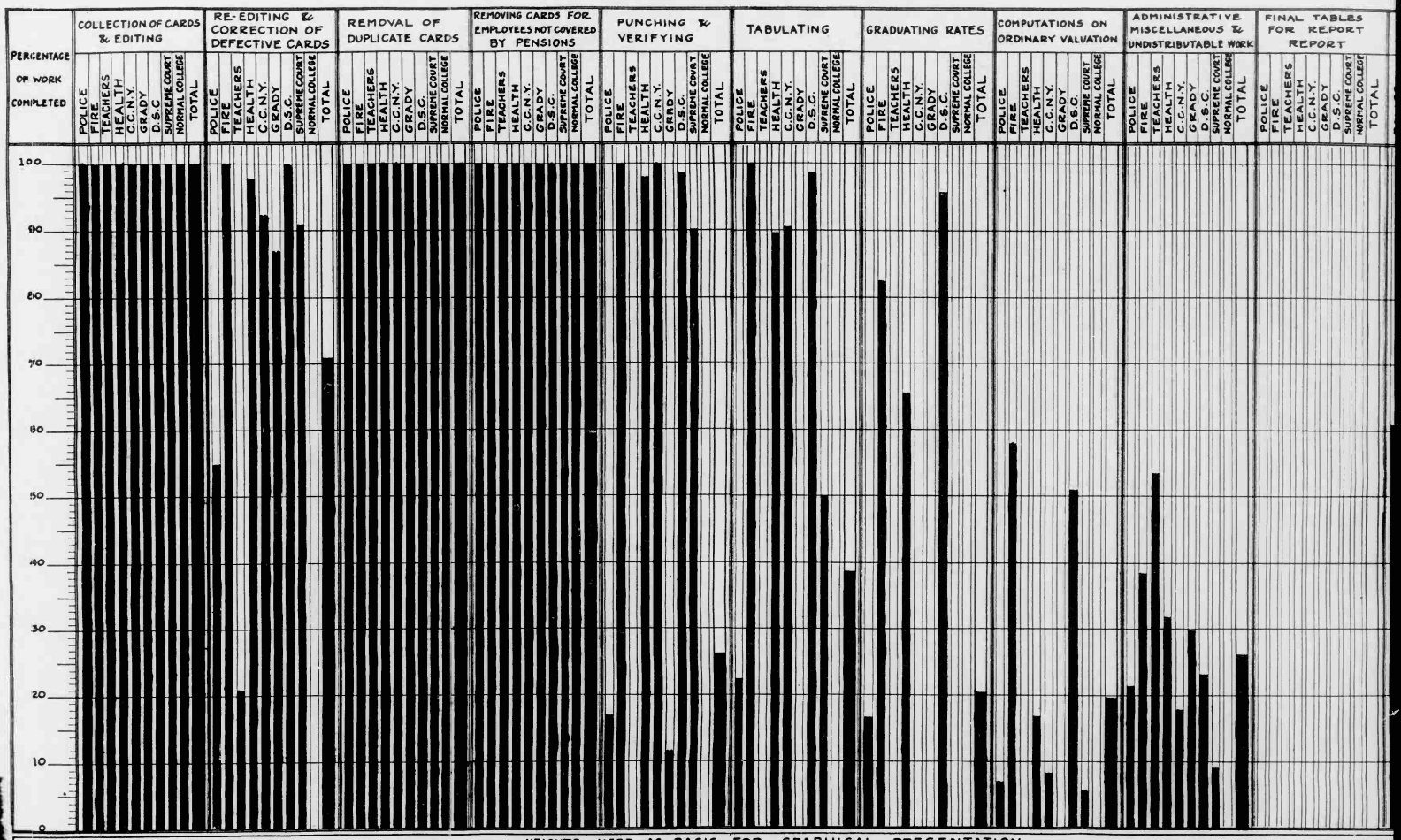
COMMISSION ON PENSIONS
ACTUARIAL DIVISION

PROGRESS CHART I

CORRECTED TO
APRIL 30, 1915

Showing by Departments each Classification and Total Estimated Work to be done and the Proportion of such Work Completed up to the indicated Date of Correction in the Preparation of the Actuarial Valuation of the Assets and Liabilities of
ALL PENSION FUNDS OF THE CITY OF NEW YORK



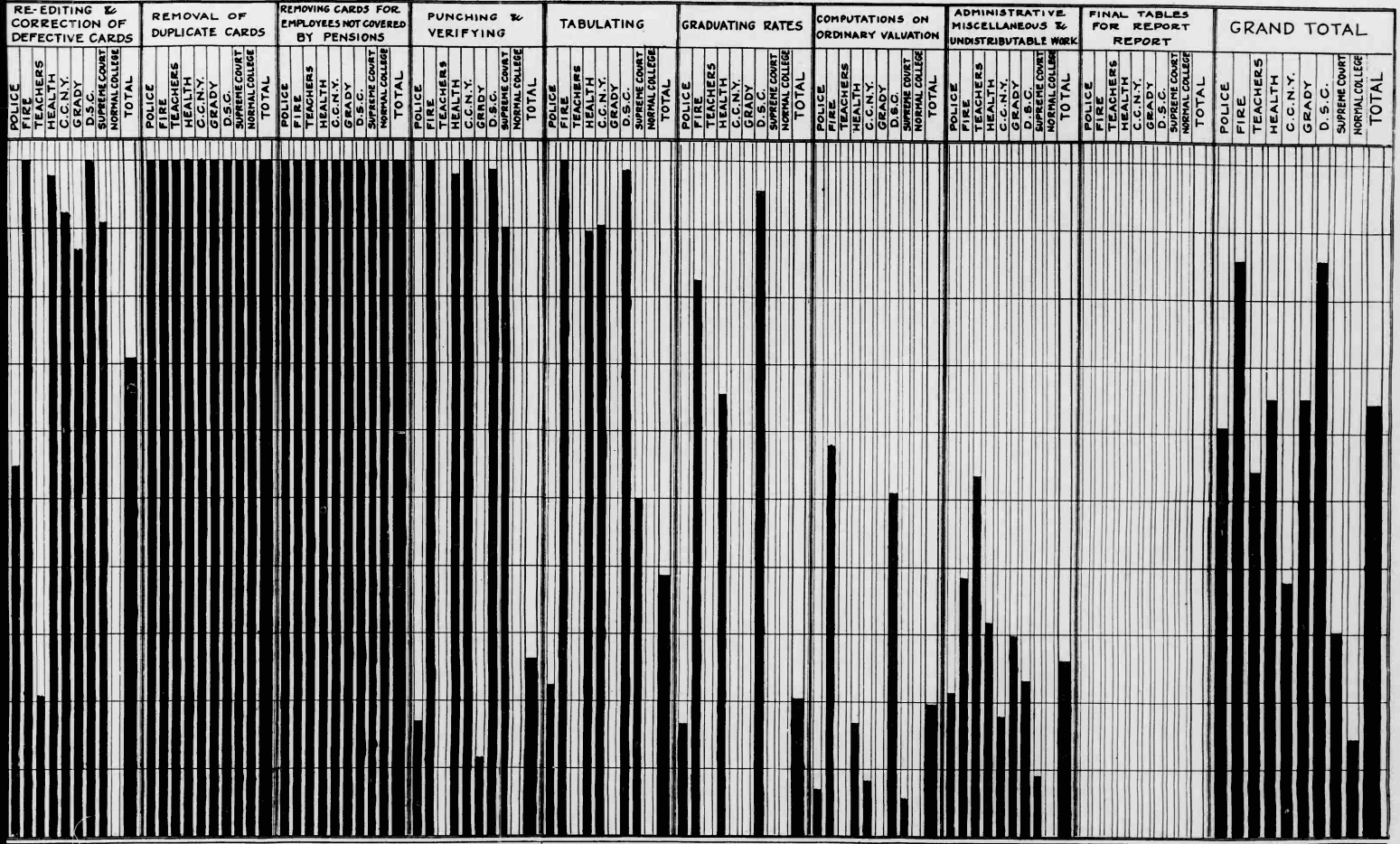
WEIGHTS USED AS BASIS FOR GRAPHICAL PRESENTATION

	COLLECTION OF CARDS & EDITING	RE-EDITING & CORRECTION OF DEFECTIVE CARDS	REMOVAL OF DUPLICATE CARDS	REMOVING CARDS FOR EMPLOYEES NOT COVERED BY PENSIONS	PUNCHING & VERIFYING	TABULATING	GRADUATING RATES	COMPUTATIONS ON ORDINARY VALUATION	ADMINISTRATIVE MISCELLANEOUS & UNDISTRIBUTABLE WORK	FINAL TABLES FOR REPORT REPORT
Estimated Percentage Distribution of Work in each Classification	13.57 5.86 19.78 2.00 3.58 11.36 6.23 .30 .17 100.0	13.58 5.80 19.74 2.80 .24 5.14 3.46 .47 .38 .18 100.0	16.25 6.41 8.38 5.78 - 37.94 7.83 .34 - 100.0	- - - - - - 92.5 - 1.75 - 100.0	10.44 6.46 15.57 2.11 .22 12.25 7.44 .41 .14 100.0	9.96 14.02 9.91 9.96 3.65 17.58 9.96 8.33 1.86 100.0	8.63 8.18 11.84 7.95 4.63 14.64 7.95 5.55 .15 100.0	18.67 14.36 8.45 13.29 3.29 12.48 11.51 4.60 .35 100.0	8.36 8.60 7.75 9.62 5.71 18.87 9.58 8.62 .85 100.0	8.63 8.63 7.63 9.61 5.88 18.84 9.61 8.37 .78 100.0
Estimated Percentage Distribution of Unit of Work	4.58 1.88 6.37 .66 .07 1.45 2.17 .11 .05 32.23	.349 .147 .501 .059 .006 1.304 .171 .010 .005 25.38	.23 .08 .09 .05 - .81 .11 .01 - 1.41	- - - - - - 1.92 - .03 - 1.45	1.45 .47 1.14 .15 .02 3.32 .54 .03 .01 7.23	.96 1.40 .91 .96 .36 1.67 .96 .81 .10 9.75	.57 .83 1.13 .49 .30 1.89 .49 .37 .01 6.58	.53 .82 .48 .74 .18 1.86 .69 .26 .05 5.79	.77 .77 .76 .85 .51 1.42 .88 .81 .07 8.97	.11 .11 .10 .12 .08 .26 .12 .16 .01 1.29
Item Considered as UNIT of Work.	One Census Schedule made out edited first time numbered, filed numerically and coupon filed alphabetically.	One Census Schedule carefully reviewed, tallied, with missing information supplied on defective cards.	One Coupon matched to one with same name withdrawn from file, schedule withdrawn from numerical file, duplicates compared and cards adjusted.	One Exempt, Appointee or Elective Position connected with incumbents name during six year period by means of directory, cards withdrawn and handled for same	One Punch Card prepared from data on census schedule. information coded before punching and punched card verified back to original schedule.	One Punch Card Tabulated on every Table in which it is included and the cards assorted and filed away.	One unadjusted rate as prepared from data, completed, graduated, checked and compared.	One working table used in the preparation of the valuation.	No unit. Estimate based on similar work for other funds.	No unit. Estimate based on similar work for other funds.
TOTAL Units of Work.	131680	131680	24825	5847	182895	182895	226	1,050	—	—
Total Days for One Clerk to Complete Total Units	6344	5000	277	285	1425	1920	1296	1130	1768	255

COMMISSION ON PENSIONS
ACTUARIAL DIVISION

PROGRESS CHART I

Showing by Departments each Classification and Total Estimated Work to be done and the Proportion of such Work Completed up to the indicated Date of Correction in the Preparation of the Actuarial Valuation of the Assets and Liabilities of ALL PENSION FUNDS OF THE CITY OF NEW YORK



WEIGHTS USED AS BASIS FOR GRAPHICAL PRESENTATION

RE-EDITING & CORRECTION OF DEFECTIVE CARDS	REMOVAL OF DUPLICATE CARDS	REMOVING CARDS FOR EMPLOYEES NOT COVERED BY PENSIONS	PUNCHING & VERIFYING	TABULATING	GRADUATING RATES	COMPUTATIONS ON ORDINARY VALUATION	ADMINISTRATIVE MISCELLANEOUS & UNDISTRIBUTABLE WORK	FINAL TABLES FOR REPORT REPORT	GRAND TOTAL
One Census Schedule carefully reviewed, tallied, with missing information supplied on defective cards.	One Coupon matched to one with same name withdrawn from file, schedule with drawn from numerical file, duplicates compared and cards adjusted.	One Exempt, Appointee or Elective Pension connected with incumbents name during an year period by means of directory cards withdrawn and handled for same	One Punch Card prepared from data on census schedule, punching and punched card verified back to original schedule.	One Punch Card Tabulated on every Table in which it is included and the cards assorted and filed away.	One unadjusted rate as prepared from data completed graduated, checked and compared.	One working table used in the preparation of the valuation completely prepared and verified as to computations.	No unit. Estimate based on similar work for other funds.	No unit. Estimate based on similar work for other funds.	—
131680	24825	5847	182895	182895	226	1,050	—	—	—
5000	277	285	1425	1920	1296	1130	1768	255	19700

dren. In short, the most complete set of tables ever constructed for any pension or annuity fund are being prepared for the city's pension funds.

After the tables are constructed, mathematical tables will be based upon them, and the liabilities of the city as regards pensions can be computed from year to year until the mortality and service experience of the departments has sufficiently changed to justify their correction or the establishment of a new set of tables based on a broader experience than is available at the present time.

A diagrammatic progress report is prepared, by which the progress of the work is controlled. These reports are submitted to me semi-monthly.

The commission has gathered exceptionally complete information regarding existing municipal and industrial pension funds in the United States for the purpose of considering the advisability of adopting any one of them as a model for New York City's new plan, in view of their true merit. Through the co-operation of the Bureau of Municipal Research, the commission is making a study of European pension plans, many of which will furnish valuable suggestions.

To assist us in our actuarial work a request was made of the Actuarial Society of America to appoint a committee to co-operate with the commission. The following very able committee was appointed, and is rendering most valuable services:

Mr. William A. Hutcheson, actuary of the Mutual Life Insurance Company, chairman.

Mr. Robert B. Henderson, actuary of the Equitable Life Assurance Society.

Mr. Henry Moir, actuary of the Home Life Insurance Company.

The pension commission which is responsible for this work consists of the following members: George W. Perkins, chairman; Henry Bruère, vice-chairman and secretary; Frank H. Bethell, Raynal C. Bolling, John H. Boschen, Frank L. Dowling, Albert De Roode, August Ferrand, Joseph Haag, Louis H. Hahlo, Francis D. Pollak, Arthur Williams, S. Herbert Wolfe, John A. Bolles, William H. Chorosh, Mrs. F. H. Cothren.

My work has been to plan and supervise the investigative work of the staff, to formulate suggestions for the consideration of the commission, and to confer with employees interested in pension problems, leading to the final preparation of a plan by the commission for the consideration of the mayor and the board of estimate and apportionment.

The commission has not decided whether to recommend a consolidation of the pension plans or to continue the existing separate pension funds. It has not formulated any conclusions with regard to the nature of the pension plans. All of these conclusions will be reached after the completion of the investigation, when with the facts

before it the commission can sit down to consider various alternatives from which finally a system or series of systems can be built up. The views regarding pension principles expressed in this report are mine, and in no way represent the conclusions of the commission, for officially it has reached none.

Welfare Program for City Employees

Several undertakings have been inaugurated during the present year to improve the *esprit de corps* of city employees and to establish better relationships between the administrative authorities and the operating forces of the departments. I shall refer to these briefly, for they have all been discussed in the press.

Employees' Conference Committee

Representatives of departments under your control were called together at my suggestion to consider questions relating to the welfare of employees and the administrative practices of departments. The thought underlying this conference was that employees, through co-operation with department heads, may assist in improving administrative methods by making available to the responsible officials, who frequently change, the results of their experience and special knowledge in their respective fields. Questions such as those previously discussed in this report with reference to office administration, the infinite variety of technical matters involved in carrying on the business of the city departments,—all are proper subject matters for a conference committee of this character. On the other hand, an employees' conference committee will concern itself with the organization of activities which will affect the welfare of the employees themselves. Thus, there has been suggested the organization of credit unions for loan purposes, the establishment of departmental lecture courses, the organization of entertainment and recreation activities, etc. The committee which you called together is now planning its preliminary work under officers selected by the temporary representatives.

Perhaps a word as to the ultimate aim of this step may obviate misunderstanding. It is now generally recognized in large industries and corporate enterprises that successful management depends quite as much on the spirit of employees, their concern for the welfare of the enterprise, their confidence in the justice and co-operative spirit of the management, as it does on the ability of the executive officers. Indeed, employees' relationships, character and treatment of personnel and similar matters relating to the rank and file of employees, are now regarded as perhaps, collectively, the most important phase of industrial management.

In city government this phase of administration has been conspicuously neglected. Employees have been kept at arm's length from administrators, except where an accidental, personal, or an organized political relationship existed. It may truthfully be said that 95 per cent. of the success of city management depends on the interest and quality of service of employees. In recognition of this fact your administration and the board of estimate and apportionment have given unprecedented attention to matters affecting city employees. Conspicuous parts of this program are the standardization of salaries, of genuine advantage to efficient employees as well as to the city and taxpayers, the reorganization of civil service methods, steps taken to establish pension systems on a sound basis, and the closer contact between the executive branch of the departments under your control and the rank and file of subordinates. In my judgment this phase of your administration's policy is of the greatest promise for the efficient and spirited conduct of the city's business.

In many departments progress in this direction has already been notable. The development of the conference committee must be gradual until mutual confidence is developed and the habit of co-operative consideration of administrative and employment questions formed.

Educational Courses for Employees

Some months before taking office you suggested to Chancellor Brown, of the New York University, closer alliance between the University and the city government. As the upshot of this suggestion I worked out, in conference with the civil service commission, and with Professor Jeremiah W. Jenks, Professor James E. Lough, and Mr. M. E. Loomis representing the University, a group of courses which would be useful to city employees. These courses included advanced stenography, secretarial work, accounting, bookkeeping, and business English, and were inaugurated in the Municipal Building on October 5, 1914. On the opening day there was a registration of 231, the students being addressed by yourself, Chancellor Brown and Professor Jenks, at a meeting held in the City Hall. For these courses the students pay $10 for 30 hours' work, and $20 for 60 hours' work, which represents the actual cost to the University. The maximum registration for the first semester was 276, and the average attendance 227. The courses are given in the Municipal Building and in the Washington Irving High School, from four to six o'clock in the afternoon, from five to seven, and from eight to ten o'clock in the evening, according to the character of work and the convenience of the departments.

A second set of courses along engineering lines was worked out, and inaugurated on January 13, 1915. These courses were

framed with the advice of a very efficient and highly interested group of city and outside engineers, and relate particularly to the technical work of city government. This committee has shown the most helpful and active interest in this undertaking and to them in very full measure the success of the courses is attributable.

The City College proposes next year to furnish similar facilities to city employees. The legislature passed a bill on March 31, authorizing the college to charge a fee for courses of this character. Recently, at your request, I called a conference between representatives of the City College, New York University, and the advisory committee of engineers to plan for the continuance of this educational work.

The institution of the educational courses in the Municipal Building has been attended with remarkable success. It shows that there exists a very marked need for the special training of employees in the various lines of municipal service. The work this year is only a beginning, and should lead to a carefully planned scheme of instruction to be correlated with civil service promotion plans. There has been no paternalism in this undertaking, the arrangement being a business one under which the University furnishes the courses at cost.

Lunch Room for Women

There are about 600 women in the city's service employed in the Municipal Building, in the Hall of Records, and in the City Hall. In apportioning the space in the Municipal Building, it was found that the space provided for the Central Testing Laboratories in the tower would not be suitable for their use, because of the vibration in the building at this altitude. No provision had been made in the building for a meeting room for employees, nor had any facilities been provided for women, except rest rooms in connection with toilets.

It occurred to me that it might prove a profitable investment to provide for women employees a lunch room and a properly controlled rest room where the noon hour might be spent with comfort. Every one knows that downtown lunch facilities are not convenient or adequate for women workers. Women who are engaged all day in exacting work, such as stenography and clerical work, are in need of wholesome and refreshing surroundings in the noon hour. The plan met with the cordial approval of the comptroller, the president of the board of aldermen and the bridge commissioner, individually and as members of the committee of the sinking fund commission on assignment of space in the Municipal Building.

The proposal was, therefore, made that a lunch room be established on the 26th floor. The assistance of the welfare department of the National Civic Federation was obtained, and a meeting arranged at which members of the board of estimate and apportionment were shown, through the courtesy of Mr. Haley Fiske, the facilities provided for women in the Metropolitan Life Insurance Company building. The conclusion of all this was the approval by the sinking fund commission of the assignment of space in the Municipal Building for a women's lunch room, and the organization of a club among the women employees to have control and responsibility for its operation. This organization, with a membership of 370, has now been completed, and will be responsible for all expenses involved, the city merely providing the space and initial equipment.

I believe the city will find this step highly profitable, as it will increase the satisfaction and content of its women employees and promote their efficiency. The women's organization is self-governing, has chosen its own officers, and has shown remarkable interest and capability in the development of the plan.

Distribution of Space in the Municipal Building

As secretary of the committee on assignment of space of the sinking fund commission, which consists of the comptroller, the president of the board of aldermen, the bridge commissioner, and the chamberlain, I devoted considerable time during the early part of the year to planning the allotment of space so as to accommodate departments for which provision had not originally been made. As a result of the work of the committee the Municipal Building now houses all of the mayor's departments, with headquarters in the borough of Manhattan, except the departments of police, health, docks and ferries, and licenses.

The removal of the fire department to the Municipal Building involved the release of fire headquarters. This was not done until arrangements were made with the department of education for the economical use of this space. The removal of the department of parks, Manhattan, relieved the department from the very considerable inconvenience of conducting its business in the ill-suited arsenal in Central Park, which had for many years served as its headquarters. This building will presently be removed from the park, thus increasing the park space available to the public.

The detailed work of relocating the offices in the Municipal Building was supervised by the bridge commissioner, and to him and the engineer in charge is due the credit for its efficient performance.

Publicity of City Facts

At the outset of the administration I made an effort to formulate a plan for better control over publicity regarding the day by day work of city departments. It was not intended in any way to re-

strict the access of the press to the departments, nor to curtail the news obtained in regard to the work of the city government. On the contrary, it seemed that there was an opportunity, by systematically bringing to the attention of a central office the happenings of public interest in departments, both in reference to their regular work and in respect of plans and results of reorganization, to keep the public better informed about the business of the city. A similar plan had recently been instituted in Cleveland, a bureau of information and publicity having been established under its new and excellent charter. The suggestion was discussed in several conferences with representatives of newspapers assigned to City Hall, and a definite proposition finally worked out for consideration by Mr. Shepard Morgan, now secretary of the department of finance and then attached to the staff of a morning paper. Mr. Morgan's plan looked to the creation of a central clearing house for news regarding city business, as a means of educational publicity. The plan, however, did not generally seem feasible to the representatives of the press, the impression prevailing that it might lead to the suppression or deadening of news.

For purposes of experiment an alternative plan was adopted. There was appointed in the office of the commissioners of accounts a special examiner whose duty it is to review and, where necessary, clearly and briefly to restate for publication the current reports of departments, and to prepare for the magazine sections of the Sunday newspapers educational stories regarding the city government's activities. This work in no way interferes with the regular reporting work of press reporters assigned to City Hall, but supplements it. It does not deal with current news, but only with recorded happenings, and is an efficient and very valuable adjunct to the day by day publication of city news through the usual reporting methods.

Since the institution of this plan upwards of 1,291 columns of newspaper material have been printed as special stories, all of which have been devoted to the discussion and description of city business, stated in a form to interest the newspaper reader and hence to broaden popular acquaintance with the details of city government.

The purpose underlying this plan is to widen, so far as possible, citizen interest in the detailed business of city government, much of which though of an absorbing character would rarely if ever be brought to public attention through ordinary news channels.

Municipal Reference Library

With the comptroller I have given attention to the development of the Municipal Reference Library, located in the Municipal Building for the use of city departments and employees. Investigation of the operation of the library early in the administration showed it

to be unsatisfactory. The comptroller, who had originally undertaken to organize the library in the department of finance, invited my co-operation in arranging for its more effective administration. In conference with the director of the New York Public Library, it was arranged to transfer the Municipal Reference Library to the control of the Public Library, and to place the economic librarian of the Public Library in charge. Since this was done the library has increased in usefulness and is now probably the best equipped municipal library in the country. To promote the usefulness of the library to departments through closer co-operation, an advisory committee of city officials was appointed as follows:

Henry Bruère, chairman; Leo Arnstein, assistant to president, board of aldermen; Burdette G. Lewis, deputy commissioner of correction; Shepard A. Morgan, secretary, department of finance; Nelson P. Lewis, chief engineer, board of estimate; Robert B. McIntyre, chief, bureau of municipal investigation and statistics.

Standardizing Departmental Reports

During the latter part of Mayor Gaynor's administration, Mr. Robert Adamson, then secretary to the mayor, began the preparation of standard forms for the reports submitted by the departments under the mayor pursuant to charter requirements. The Bureau of Municipal Research assisted Mr. Adamson in this work. A series of report forms was prepared, but no actual installations had been effected at the beginning of the present administration, though Mr. Adamson performed valuable work in cutting out the surplusage in reports and reducing them to readable and economical proportions. This work has been resumed, and a member of the staff of the commissioners of accounts has under my direction been assigned to complete the preparation of standard forms and to effect their installation, in co-operation with the research bureau.

The charter requires the publication of departmental reports quarterly, and in certain cases annually. These reports have heretofore contained miscellaneous information, some valuable, some worthless. They contained no information which would show the relation between work done and expenditures, nor did they provide adequate tables comparing the results of one quarter or year with another. Our purpose is to simplify as much as we can the statement of departmental results along the lines of important functions and activities, and to make it possible for the mayor and citizens to obtain precise, comparable and concise information regarding departmental work. It is also our purpose to facilitate the prompt publication of departmental reports so that these important publications may become current instead of historical.

In the preparation of these forms the comptroller's co-operation

has been obtained, inasmuch as his department has to do in part with the statement of accounting results.

This step is of great importance in effecting better administration and closer contact between government and public, and every effort will be made to press it to a conclusion during the present administration.

Vacation and Absence Rules

Rules for vacations and leaves of absence varied in every department at the beginning of this administration. This condition was only another instance of the general inattention to the administrative practices of the departments.

To establish uniform rules on a proper basis inquiry was made of existing practices in city departments and in private corporations. From these practices rules were evolved which seemed to be the most just and businesslike, and submitted to the departments for their guidance. This, however, did not lead to complete uniformity, for in several departments old practices were adhered to. Accordingly, for the year 1915, a general rule has been promulgated by the mayor affecting per annum employees of all departments under his control. Vacation rules for per diem employees were laid down by the board of aldermen in 1914.

Study of County Government

I have under way, in co-operation with the commissioner of accounts, a thorough study of the organization, methods and expenditures of the county offices of the city of New York. As a first step I had prepared for use in the preparation of the 1915 budget, a complete analysis of the mandatory county salaries which the city is required to pay. These were found to aggregate for the five counties $4,458,777.25 per annum, or 76 per cent. of the total appropriations for personal service. Discretionary salaries amount to only $1,350,704.50.

For each office there are being prepared charts of organization, an analysis of its statutory duties, a record of the work performed and compensation received by each employee, and a functional analysis of the volume of work done. On this basis we shall be able to formulate definite recommendations for administrative consolidation or reorganization as the facts may warrant. One condition to which attention is frequently called, but which warrants repeated emphasis is the continuance of the fee system in the sheriff's office. Thus, in the county of New York fees paid to past and present sheriffs, in addition to $12,000 salary, for the years from January 1, 1910, to January 1, 1915, were as follows:

Year	Fees
1910	$48,924.72
1911	44,224.52
1912	53,184.88
1913	51,505.85
1914	59,703.71

There is no justification for this. These sums, which represent 50 per cent. of fees received, the other 50 per cent. being paid into the treasury, should all come to the city treasury. The results of this study with constructive suggestions are now being incorporated in a joint report to be submitted by the commissioner of accounts and myself in time for consideration by the Constitutional Convention which, no doubt, will give considerable thought to questions of county organization.

Program for Public Recreation

One of the matters to which you asked me to give consideration was the recreation program of the city. You wished to have a program formulated for the harmonious development of the recreation facilities under the jurisdiction of the departments of parks and the public recreation commission. Accordingly, I called a conference of representatives of the various agencies of the government concerned with recreation. In this conference there was discussed the feasibility of establishing central, responsible control over the recreational facilities of the park departments, public baths, gymnasiums, and recreation piers.

It did not seem feasible to include in this plan the recreation centers and other recreation activities of the department of education. My own conclusion after the conference was that it would not be wise to transfer to any central authority control over public baths, because the borough presidents were especially equipped to maintain and operate the buildings, and it therefore seemed generally more practical that they maintain control over the use of the buildings.

The public recreation commission had previously attempted to assume control over the use of several of the public baths in which gymnasiums were provided, but this had not resulted in a successful method of operation. The park commissioners felt that because of dissimilarity of conditions in their boroughs, local control over recreation facilities was preferable to centralized control. The consensus of opinion was, however, that there should be some means of standardizing the recreation work in the various parts of the city, and of providing in one place expert advice for its development, available to all parts of the city government, and closely connected with the social welfare committee charged with recommending to the board of estimate and apportionment appropriations for this and similar purposes. It

was therefore determined to recommend to the board of estimate and to the mayor that the public recreation commission be consolidated with the social welfare committee, and that a special secretary of recreation be provided for the committee. A temporary consolidation of functions has taken place pending the passage of a bill abolishing the public recreation commission. Provision for the secretary is made in the budget for 1915, and a civil service examination will presently be held for the selection of the incumbent.

Much remains to be done in developing a recreation program for the city. Considerable progress has been made during your administration, notably by Park Commissioner Ingersoll in the borough of Brooklyn, which has heretofore been deficient in playground facilities. I am from time to time giving attention to recreation matters as they present themselves, and hope to be able to submit to you further recommendations of a concrete character.

Study of Park Privileges

At my request the commissioners of accounts on April 23, 1914, prepared and submitted to you a report on Manhattan park privileges. This was a subject to which I had given considerable attention during my connection with the Bureau of Municipal Research, and which was jointly investigated by your office and the Bureau when you were commissioner of accounts. The results of the study were submitted to Commissioner Ward, and a number of recommendations contained in the report have already been carried out. The report indicated the need for considerable administrative tightening up. Among the suggestions made were the following:

1. That rental value for privileges in the parks be determined by public letting as against private negotiations.
2. That an efficient method of supervision of concessions and privileges be instituted, providing that:
   a. Unlicensed stands and peddling be discontinued through more vigorous enforcement of regulations.
   b. Trading in permits be discontinued whereby persons other than the original permittee benefited by them, and that all permittees be required personally to operate under their permits.
   c. Privileges granted without compensation be authorized by the use of a permit form having the word "free" stamped in red ink across its face.
3. That the practice of permitting employees to occupy residences in the parks without charge be discontinued.
4. That bootblack stands along the east side of City Hall Park obstructing traffic to the bridge elevated and subway entrances be placed under the bridge approach, where there is ample room for them, (and where they are now located).

There were other recommendations with reference to accounts and records.

This report will furnish the basis for subsequent checking up of park privileges in all boroughs in order that a consistent policy may be maintained in reference thereto.

Program for City Legislation

As a result of your experience in dealing with the legislative bills submitted for your approval during the 1914 session of the legislature, you requested me to prepare for your consideration a preliminary statement of legislation desired by the various departments from the legislative session in 1915. It has been found in other years that some bills requested by departments and passed by the legislature on the basis of those requests were subsequently vetoed by the mayor because they did not meet with his approval or were not in conformance with the general policy of the city government.

To obviate this, you wished to have before you early in the fall a comprehensive statement of legislation that seemed necessary and desirable, for conference and the formulation of an administrative legislative program. This matter has received your personal attention. At your request, I prepared an analysis of proposed legislation suggested by the various department heads in their memoranda to you, and formulated a tentative program for its public consideration.

The step that you took in preparing an administrative program for legislation affecting the city government is, in my judgment, equal in importance to the earlier step which you took in establishing executive budget estimates. The legislature is generally blamed for mandatory legislation entailing expense upon the city of New York. Much of this legislation, however, has been asked for by New York City officials or concurred in by representatives of the city. This year, legislation which departments desired was first submitted to you, reviewed by you and by the corporation counsel, and subsequently presented to the board of estimate and apportionment for its approval. In this way a substantial measure of home rule may be achieved under the limitations of the present charter, provided the legislature does its part and gives special heed to the program submitted by the city authorities, discouraging the introduction, at the suggestion of irresponsible agencies or individuals, of legislation affecting the city's business.

Contrary to the usual practice, no department, so far as I know, has requested legislation this year which has not formally been passed upon by yourself and the board of estimate and apportionment, except in one or two instances where you expressly authorized a direct application by a department head. In the future therefore, there should be less confusion in the legislature, fewer ill-considered acts passed,

and more assurance that the city will receive at the hands of the legislature the laws that it requires.

This step in the direction of home rule is the most important step taken in relation to the legislation of the city since the mayor was given power to veto bills exclusively affecting the city of New York.

Study of Gary Plan and Vocational Education

From May 31 to June 5, 1914, I accompanied you, the president of the board of education, the commissioner of public charities and representatives of the department of education to the public schools of Gary, Indiana, and Chicago, and to Cincinnati to inspect the co-operative plan of instruction pursued in the University of Cincinnati Engineering School.

As a result of this visit it was arranged to have Dean Herman Schneider of the University of Cincinnati and Superintendent William Wirt of Gary assist the school officials of New York City in developing plans for practical vocational education and for the more intensive utilization of the school plant along the lines of schools in successful operation in Cincinnati and Gary. To this work you have given your personal attention, and my connection with it has been merely in conference when requested.

Study of East Side Evictions

Last spring, in discussing before an east side audience our desire to bring the city government more intimately in touch with the social needs of the people, a suggestion was made that a great problem existed in New York in respect of the eviction of tenants for non-payment of rent. Judge Gustave Hartmann of the municipal court of the second district called on me several times, urging that some effort be made to provide assistance to the unfortunate tenants who were deprived of homes through inability to pay rent.

In order to obtain information regarding the extent and character of this problem, I made an investigation of eviction cases occurring in the borough of Manhattan in 1913, particularly of the results of processes for eviction brought to the second municipal court district in which the greatest number of evictions occurred. Reports from thirty-three of the thirty-five city marshals to whom I directed inquiries showed the following:

Number of summary proceedings handled during 1913	40,366
Number of actual evictions resulting	1,298
Number of evictions of undesirable tenants and evictions from places of business	270
Number of evictions for non-payment of rent, presumably involving homes	1,028

The problem seemed, therefore, to be one of relief of cases of distress and not one requiring administrative or legislative action. I sent an examiner to observe the action taken on cases in the magistrates' courts, and instructed him to refer to the organized charitable associations cases which in his judgment needed and merited assistance.

After a week's trial of this procedure, I requested the United Hebrew Charities to install permanently in this court a representative who would deal with all cases of eviction. This organization gladly co-operated. This has now become an established practice, and according to Judge Hartmann and confirmed by my own investigation, a great many cases of distress to whom eviction was threatened have been relieved by the prompt action of the society.

The result, therefore, of this action has been to institute in the municipal court, which deals with minor questions affecting property and property rights, a more humane contact to aid the administration of justice. There is opened up by this experiment a number of possibilities of broadening the social usefulness of the lesser civil courts. I shall not at this time enlarge upon this aspect of the experiment, but I do wish to call attention to the need for better control over the work of city marshals who execute the writs of eviction.

The city marshals are subordinate to the mayor, being appointed by him and subject to removal by him on charges. At the time of my investigation, I found that the marshals made to the court no adequate report of action taken by them on the service of writs, and that no information as to their conduct was available to the mayor or to any representative of the mayor. To remedy this condition, I have instituted a form of report on action taken in the service of writs of eviction to be submitted periodically by marshals to the commissioners of accounts. These reports will gradually develop information of a sufficiently comprehensive character to enable us to determine whether additional action needs to be taken to prevent the eviction of indigent persons for inability to pay rent.

As a by-product of the agitation of the eviction question, one of the newspapers in the city for some time conducted a "save a home" campaign.

Several conferences have been held in my office with landlords and representatives of tenants to see whether any plan could be worked out by which landlords might give to a central organization notice of tenant delinquents, thus affording an opportunity for possible relief before action for eviction was instituted. Up to date, no feasible scheme for safeguarding a practice of this kind against exploitation, either by landlords or by tenants, has been devised.

Study of the Unemployment Problem

The establishment in 1914 of the municipal and state public employment bureaus, together with the increased accommodations for homeless men provided by Commissioner Kingsbury at the municipal lodging house, put the city in a much better position to deal this winter with the problems arising from unemployment than in the winter of 1913-1914. But the outbreak of the war, coming as it did on top of a depressed industrial condition, so augmented the number of unemployed that it became necessary to take further steps.

When industrial conditions seemed to be growing worse instead of better, and there appeared on every hand isolated attempts to deal with the unemployment problem in a fragmentary way, I recommended to you the appointment of a committee on unemployment, similar to committees appointed in Chicago and other cities to deal with this question. I emphasized particularly the importance of bringing into this committee representatives of both labor and capital as well as philanthropists and public-spirited citizens generally.

You appointed an exceptionally representative committee under the chairmanship of Ex-Judge Elbert H. Gary of the United States Steel Corporation. I have served as the general secretary of the committee, and in consequence have been obliged to devote a considerable amount of time to the unemployment question during the winter.

The work done by the committee has already been reported to you by the chairman. Apart from relief measures instituted this winter, to supplement the work of the organized relief agencies, the trade unions, neighborhood societies, etc., the committee brought together in a common program all the elements of the community concerned with unemployment. Churches, labor organizations, settlements, business organizations, relief societies, and representatives of the government worked with one another, not only to meet present needs, but to prepare against a recurrence of similar conditions in the future. This committee divided itself into groups to deal with the problems of distress and poverty due to unemployment, and with such measures as the organization, on some permanent basis, of loan funds, the shipping of labor to the country, the temporary housing of homeless men, the timing of public works so as to fill in the periods of least employment in private enterprise, the provision of emergency work through relief workrooms, the question of vocational help to minors through the co-operation of employment managers, and the development of the public employment bureau.

Not of the least significance was the effort made to determine for the first time with some accuracy the actual number of the unemployed. The statistical department of the American Telephone and Telegraph Company made a canvass of employers in all lines of trade and industry to compare employment conditions during the

week ending December 19, 1914, with those prevailing in the same establishments during a corresponding week in 1913. Later, at our request, the Metropolitan Life Insurance Company, through its agents, made a canvass of about 650,000 of its New York policyholders. On the basis of the conditions of employment found among these fairly well circumstanced workers and the total number of industrial workers normally employed in the city we estimated that approximately 385,000 people normally at work were unemployed. The United States bureau of labor statistics later made a careful check in representative sections of the city, involving 229,428 people, and reached practically the same conclusions. The United States survey was made with the aid of city inspectors whom we arranged to have placed at the government's disposal.

I cannot at this time deal comprehensively with what was done or with the lessons learned during the winter as to the limitations of methods employed by the committee in meeting the problem. A further and special report will be submitted to you on this subject.

It is, of course, impossible for either the municipality or a voluntary committee to deal effectively with the great and complex problem of unemployment. The problem is an industrial one and its solution rests primarily on business and industry. Governmental assistance may be given by state and national governments, through the provision of a genuinely adequate system of labor exchanges, and ultimately, I hope, through the provision of a system of unemployment insurance which now operates so successfully in England and in various places on the continent. Your committee accomplished many results of value, but none of greater benefit than by emphasizing the fundamental nature of this great question and the inadequacy of mere measures of relief in dealing with it.

Judge Gary has given generously of his time, funds and energy to the problem. In addition, many specific contributions have been made to the relief fund for workrooms, making possible the employment of 5,000 men and women during the period of greatest stress. For raising this fund, aggregating $160,000 despite the severe demands made on New York givers during the past winter by local relief societies and war relief committees, credit is due to Mr. George W. Perkins, chairman of the sub-committee on ways and means. Work for the relief of unemployed women was effectively carried on by a sub-committee of women under the chairmanship of Mrs. James Speyer. Exceptional service was rendered by Deaconess Charlotte M. Boyd and by Mr. William Hamlin Childs in managing the work-rooms for men. The co-operation of the Salvation Army, under the supervision of Col. Parker, aided materially.

The effective work done by the police in aiding cases of distress and in finding employment for those out of work supplemented the efforts of the mayor's committee. The police rendered splen-

did service and themselves subscribed a substantial sum of money to relieve cases of need coming to their notice.

All in all, infinitely more was done during the past year in facing the problem of unemployment in New York City than ever before. Despite the obvious limitations of results accomplished, I feel that foundations have been laid for future effective work. The committee is continuing the services of a secretary of experience, Mr. John R. Shillady, so that next fall will find us, we hope, more adequately prepared than ever before to deal with unemployment in New York.

New York City's Exhibit at the Panama-Pacific Exposition

I devoted a great deal of time and attention to planning and supervising the preparation of New York City's exhibit for the Panama-Pacific Exposition after you named me, on May 18, 1914, chairman of the sub-committee charged with the preparation of this exhibit. The major and sub-committees consist of the following:

Major Comittee—John Purroy Mitchel, chairman, George McAneny, Lewis H. Pounds, Frederick H. Stevenson, Frank L. Dowling.

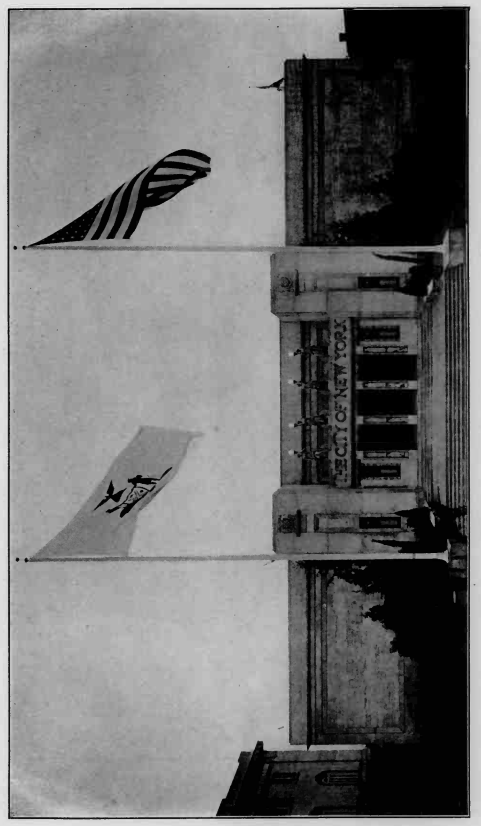
Sub-Committee—Henry Bruère, chairman; Albert E. Hull, secretary; Robert Adamson, R. A. C. Smith, Louis Graves, Merritt H. Smith, F. J. H. Kracke, John A. Kingsbury, Robert B. McIntyre, Dr. G. F. Kunz, Burdette G. Lewis, Mrs. Mathilde C. Ford, E. A. Zabriskie, Travis H. Whitney.

To organize the exhibit in detail we secured the services of Mr. Morton L. Fouquet, assistant engineer in the borough of Brooklyn. His work has been exceptionally efficient.

In July, 1914, the board of aldermen and the board of estimate appropriated $100,000 for the preparation of the city's exhibit. Early in our conferences with the representatives of the exposition, we learned that no suitable space could be found for the city's exhibit in the main exhibition buildings. Moreover, it seemed to us that there would be advantage and distinction in providing a special New York City building as had been done for the Chicago and St. Louis expositions, if that could be done economically.

After negotiations with the exposition authorities, we obtained an assignment of space on the so-called Marina on the exposition grounds and where all of the state buildings are located, adjoining the New York state building.

The state buildings, we found, were in the main to be expensive structures, that of the state of New York costing about $200,000. No such sum, of course, was available for the New York City building. I was authorized by the sub-committee to proceed to make arrangements for the building, and after the adoption of a plan for the exhibit, to supervise its execution.



The City's Building. Cost, Including Landscaping, $33,880.
B. G. Goodhue, *Architect*

INTENTIONAL SECOND EXPOSURE

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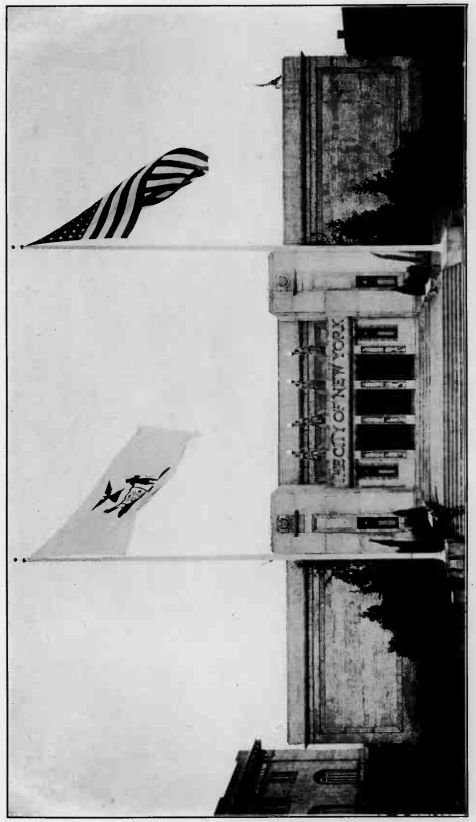

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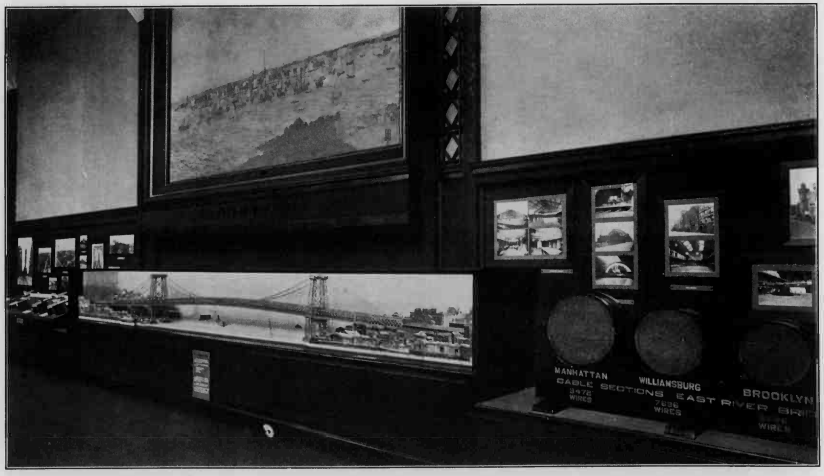
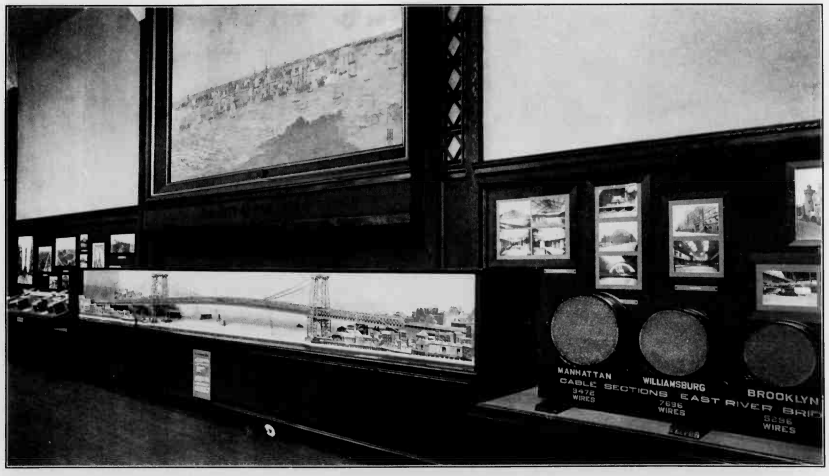


An Example of the Model Bench. This Is a Model of the Williamsburg Bridge. Above Is One of the Waterfront Paintings (1715) by B. B. Long.

INTENTIONAL SECOND EXPOSURE



An Example of the Model Bench. This Is a Model of the Williamsburg Bridge. Above Is One of the Waterfront Paintings (1715) by B. B. Long.

This Is the Great Model of the City. It Is Moved Into the Side Aisle When the Central Space Is Converted Into a Motion Picture Theatre.

INTENTIONAL SECOND EXPOSURE

This Is the Great Model of the City. It Is Moved Into the Side Aisle When the Central Space Is Converted Into a Motion Picture Theatre.

One of the Lateral Vistas, Indicating Typical Treatment of the Walls and Booth Arrangement.

INTENTIONAL SECOND EXPOSURE

One of the Lateral Vistas, Indicating Typical Treatment of the Walls and Booth Arrangement.

It did not seem feasible, nor was there time to arrange for competition in selecting the architect, as it was not determined to undertake the construction of a building until the middle of the summer. Our problem was to have it planned and completed in time for the opening of the exposition on February 15, 1915. The sub-committee authorized the expenditure of $50,000 on the building. I communicated with the president of the Architectural League and the president of the New York chapter of the American Institute of Architects, asking them if they would suggest architects from whom a selection might be made. They called together the members of the executive committees of the two organizations who in conference submitted three names. After conferring with each of the nominees, I selected Mr. Bertram G. Goodhue to do the work. Mr. Goodhue was exceptionally qualified, because having designed and constructed a number of buildings at the San Diego exposition he had an organization available on the Pacific coast to assist in the prompt construction of the city's building.

A building was designed 150 feet long by 105 feet wide, single story, along simple, classic lines. It is constructed of travertine and costs $27,630, a price obtained in competition among seven bidders. In addition, an expenditure of $2,500 for landscape planting and gardening, and $3,750 for the architects services bring the total cost of the building under $35,000, or approximately 7c per cubic foot. The building contains no windows, light being obtained entirely from overhead. The internal layout provides a promenade around the inside perimeter and a longitudinal promenade through the center. There is also a cross space through the center which is designed both as a promenade and an auditorium. This arrangement leaves four rectangular spaces in the center of the room. These are divided into groups of three booths each, and are used for the exhibition of the official activities of the city.

In the center of the exhibit there is an elaborate model of the city of New York, on the scale of 600 feet to the inch, consisting of fifty-two thousand pieces. In addition, three large paintings show authentically the waterfront of the city in 1715, 1815, and 1915. These paintings are the work of Mr. B. B. Long and are available for use in one of the city's public buildings at the close of the exposition.

The back wall of the building is divided into panels, six of which are 13 feet wide, six 10 feet wide, and four 6 feet wide. In these panels are shown facts relating to the great life features of the city, the railroads, manufacturing, and mercantile enterprises, commerce, hotels and theatres, together with a descriptive exhibit of the city's population. We selected these as a background suggestive of the magnitude, scope and variety of life in a city which is served by the activities of the city government exhibited in the booths and galleries.

The municipal exhibits are as complete as the space permitted.

They consist of models and photographs and statistical information contained in specially designed racks. It was sought to make the departmental exhibits as attractive as possible, not only to the visitor, but to newspaper and magazine writers as well. The activities of the departments are shown in cabinets, and there are presented in bulletin form precise statements and statistics of departmental work together with diagrams of organization. In addition to this information, one sub-gallery has been devoted entirely to financial statistics and to a branch of the Municipal Reference Library. It is here that visitors to the exhibit desiring more detailed information come. Here they find departmental reports and other official publications so arranged that the average person interested in civic affairs will find it easy to consult them. A variety of models has been selected to show the conspicuously interesting features of municipal service, such as the construction of the new subway, maritime and river traffic, bridges, underground conduit and pipe construction, fireboats, police stations, signal systems, Bellevue Hospital, public baths, illustrations of tenement houses, etc.

Supplementing all of the exhibits, we have prepared the most comprehensive series of moving pictures of city government work and municipal life ever collected for the city of New York. Twelve thousand feet of film have been prepared to exhibit in narrative form the work of the police department, the fire department, the department of correction, and the department of public charities; the story of subway building, street lighting, parks, public schools and other educational institutions, and the city's recreation and amusement facilities. These films themselves constitute a complete portrayal of New York City's life and government, and will be a future valuable adjunct to the city's educational work.

In my judgment, the money cost of this exhibit is well invested in making known to the entire country the scope, variety and effectiveness of New York City's governmental service. The exhibit, which is largely attended, is doing much to overcome the impression that still lingers in many quarters of the United States that New York City is governed extravagantly and inefficiently, except for occasional spasms of reform, and is backward in the work of civic administration. The exhibit will show, on the contrary, that New York is in the forefront of civic progress in the United States, and will make available to people the country over a vast amount of valuable and suggestive information on the government of a great city.*

At your direction, I visited San Francisco at the end of March to inspect the completed installation of the exhibit and to open the city building to visitors. A special report was made to you on this inspection.

*Word has just been received, as this report is going to press, that our exhibit was awarded the Grand Prix and twenty separate medals and honorable mentions.

En route to and return from San Francisco I visited eight cities and the University of Colorado on the invitation of civic and commercial organizations to make addresses on the constructive work of the city government and to discuss modern municipal problems. I undertook to make these addresses because I regard it of the highest importance that other progressive cities in the country should know that New York is not bankrupt, ill-governed, or under the thrall of time-serving politicians; but is alert, in sound condition, and leading the way in the administrative reorganization of the vast and complex activities of modern municipalities.

Charter Revision

On January 23, 1914, a charter revision committee was named by the board of estimate and apportionment, consisting of the following:

John Purroy Mitchel, mayor; George McAneny, president, board of aldermen; William A. Prendergast, comptroller; Frank L. Polk, corporation counsel; Henry Bruère, chamberlain; O. Grant Esterbrook, Henry H. Curran, Frank L. Dowling, aldermen.

As yet the committee has only taken up in a preliminary way the task assigned to it. I am now preparing for its consideration a suggestion for the reorganization of the city government and for the simplification of the charter, which will be submitted to you at an early date in the form of a separate report.

Conclusion

You will appreciate that this report is by no means comprehensive. It touches only in a general way on the administrative problems with which it deals. I have made no mention of numerous minor assignments that have occupied my time, nor of the many conferences and public meetings for the discussion of city business to which, in common with other city officials, many of my evenings, Sundays and holidays have been devoted. My part in all this work has been that of an assistant to you and has been ancillary to the reconstructive work carried on by department heads and systematically conducted by the department of finance and the agencies of the board of estimate and apportionment. My work merely suggests, and by no means fulfills, the possibilities of continuous and centralized attention to the multitude of general business and social questions upon which the efficiency of government in the last analysis depends. While I claim no great achievement, I am gratified at having been of service to you in carrying out your plans for promoting the efficiency, economy and greater social serviceability of the city government.

The conspicuous fact in this first year of administrative reorganization, which is, after all, only preparatory to the complete reorganization of the city government along modern lines, is the zeal and devotion of department heads and the splendid spirit of team work and co-operation that has prevailed throughout the city government.

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